Quarterly Highlights

3Q 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 and distribution investment plans, 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 Notice of Proposed Rulemaking released by the Secretary of Energy and action by the Federal Energy Regulatory Commission (FERC); 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 substantial 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 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, which could result in further substantial write-downs and impairments of assets; 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, margins and operations 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 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 28.

3Q 2017 Summary

3Q 2017 in Review

- Reported very strong third quarter results, with GAAP earnings of $0.89 per share and Operating (non-GAAP) earnings* of $0.97 per share
  - Operating results exceeded 3Q 2016 and surpassed 3Q 2017 operating earnings guidance range
  - Solid results in our Regulated Distribution and Regulated Transmission segments
  - Stronger-than-expected results in Competitive Energy Services segment

Transmission Updates

- Our Energizing the Future program remains on track as we expand grid modernization and reliability work to the eastern part of our service territory
- FERC accepted formula transmission rates for JCP&L effective June 1, 2017, subject to refund; case is pending outcome of hearing and settlement proceedings
- FERC accepted formula transmission rates for MAIT effective July 1, 2017, subject to refund
  - Proposed settlement filed with FERC in October; expect a ruling in the next several months
  - If approved, the settlement would allow for a 10.3% ROE

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

3Q 2017 Summary (Continued)

Distribution Updates

- Continue to see improved quarter-over-quarter results, primarily as a result of new rates that went into effect in Ohio, New Jersey, and Pennsylvania in January
- Significant quarter-over-quarter impact from weather as a result of extreme temperatures in 3Q 2016, which was the hottest summer in our service area in nearly four decades
- Weather-adjusted load trends continue to be positive; continue to expect that load improvements will offset mild temperatures from earlier this year
  - Residential and Commercial: weather-adjusted distribution deliveries continue to come in better than initially forecasted
  - Industrial: experienced the fifth consecutive quarter of growth, driven largely by the shale gas and steel industries
  - Plan to discuss updates to our load analysis for 2018 and beyond at the EEI Financial Conference in early November
- Thanks to our 630+ employees who assisted with the restoration effort from Hurricane Irma
  - Hurricane season has been a poignant reminder of the importance of a reliable and resilient electric grid for customers and our nation’s economy

Strategic Updates

Competitive Updates

- In September, Secretary Perry proposed that FERC adopt a rule to correct faulty market conditions and keep essential baseload generating plants operating
  - This would help ensure customers continue to receive safe, reliable and affordable supplies of electricity while maintaining the security and resiliency of the electric grid
  - Earlier this week, filed comments and testimony expressing our strong support for the proposed rule
- In October, the Ohio House of Representatives introduced House Bill 381 – the Ohio Clean Energy Jobs bill
  - Broad bi-partisan support with 16 co-sponsors from across the state
  - This proposal caps the impact on customers and reduces the length of the program to 13 years
  - Legislation would make the plants economically viable and is imperative to Ohio's energy security
  - Hearings in the House Public Utilities Committee expected over the next several weeks
    - Final vote in legislature expected in middle of 1Q 2018

Both FirstEnergy and the FES board will monitor these near-term developments, while FirstEnergy continues efforts to exit commodity-exposed generation

Strategic Updates (Continued)

Competitive Updates

AE Supply:

- In late August, AE Supply entered into a revised agreement for the sale of 1,615 MW of competitive natural gas and hydro assets for $825M, subject to certain adjustments
  - Received FERC approval of original transaction in June
  - Sale of four natural gas power stations in Pennsylvania expected to close this year; sale of Bath County and Buchanan facilities expected to close in 1Q 2018
- Mon Power continues to work through the regulatory process to complete the purchase of AE Supply's 1,300 MW Pleasants plant
  - Continue to expect final approval from the WVPSC and FERC by early 2018

Net proceeds of ~$350M expected from these two transactions
(after paying off all remaining long-term debt at AE Supply, including make-whole premium payments)

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:

- FE and FES each have fully engaged teams of financial and legal advisors
- FES held initial discussions with its creditor advisors in early September and dialogue between parties has continued
- FES continues to have access to the unregulated money pool
  - At the end of September, FES, its subsidiaries and FENOC had net borrowings of $67M
  - Current expectation that they will be in a neutral to slightly invested position by the end of March 2018
    - Forecast includes a series of debt service and lease payments totaling $88M; $48M of which is due on December 1
  - FES Board has the responsibility of deciding whether FES will seek protection under a Chapter 11 filing

Financial Updates

2017 Earnings Guidance

- Expect 2017 to be a positive year as a result of strong financial and operational performance and progress on our regulated initiatives
- Revised our 2017 GAAP earnings forecast to $2.02 - $2.42 per share
  - Revision includes an estimate of the annual Pension and OPEB mark-to-market adjustment
- Increased our 2017 Operating (non-GAAP) earnings* guidance to $3.00 - $3.10 per share; above the upper end of the previous range
  - Increase driven by improvements in Competitive Energy Services segment
  - Regulated Distribution and Regulated Transmission segments remain on track to achieve original targets for 2017, despite mild temperatures this year

Continue to position FirstEnergy for stable, predictable and customer-service oriented growth to benefit shareholders, customers and employees

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

3Q 2017 Earnings Results

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

3Q 2017 vs. 3Q 2016 EPS Variance	Basic EPS	Operating EPS*
Regulated Distribution	+$0.06	+$0.05
Regulated Transmission	$0.00	+$0.02
Competitive Energy Services	($0.05)	$0.00
Corporate / Other	($0.01)	$0.00
FE Consolidated	$0.00	+$0.07

- Reported 3Q 2017 GAAP earnings of $0.89 per basic share
- Reported 3Q 2017 Operating (non-GAAP) earnings* of $0.97 per basic share

- Regulated Distribution +$0.06 / +$0.05
  - Favorable results primarily from rate increases in Pennsylvania and New Jersey as well as from the Ohio DMR and DCR, partially offset by a return to normal weather in 3Q 2017
    - Lower weather-related usage drove a decrease in total distribution deliveries of 7.0% in 3Q 2017
      - Cooling-degree-days were 27% below 3Q 2016, and 3% above normal
    - Weather-adjusted, quarter-over-quarter load growth is positive across all three classes
    - Fifth consecutive quarter of sales growth in the industrial class

- Regulated Transmission: $0.00 / +$0.02
  - Favorable results primarily from Energizing the Future program

- Competitive Energy Services: ($0.05) / $0.00
  - Results primarily impacted by the expected decline in retail sales, offset by increased wholesale sales and lower expenses

- Corporate: ($0.01) / $0.00
  - Higher interest expense offset by a lower effective income tax rate

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 42%.

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

Financial Updates

CES Guidance Updates

- Increased 2017 Adjusted EBITDA* guidance range to $525M - $555M
  - Primarily reflects the delay in the AE Supply gas and hydro asset sales and lower operating expenses

Financial Updates

- In August, S&P Global Ratings updated its outlook of FE from negative to stable, reflecting confidence in our efforts to become fully regulated

Continue focus on meeting commitments to our shareholders and executing our regulated growth plans

* Refer to the appendix (slide 28) for reconciliations between CES Net Income (Loss) - GAAP to CES Adjusted EBITDA

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Appendix

Earnings (Loss) Per Share – 3Q 2017 and 3Q 2016

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Three Months Ended September 30, 2017	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
3Q 2017 Net Income (Loss) - GAAP	$ 314	$ 84	$ 66	$ (68)	$ 396
3Q 2017 Basic Earnings (Loss) per share (avg. shares outstanding 444M)	$ 0.71	$ 0.19	$ 0.15	$ (0.16)	$ 0.89
Excluding Special Items:					
Regulatory charges	0.01	0.02	—	—	0.03
Mark-to-market adjustments	—	—	0.01	—	0.01
Asset impairment/Plant exit costs	—	—	0.03	—	0.03
Debt redemption costs	—	—	—	0.01	0.01
Total Special Items	$ 0.01	$ 0.02	$ 0.04	$ 0.01	$ 0.08
Basic Earnings (Loss) per share - Operating (Non-GAAP)	$ 0.72	$ 0.21	$ 0.19	$ (0.15)	$ 0.97

Three Months Ended September 30, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
3Q 2016 Net Income (Loss) - GAAP	$ 276	$ 85	$ 86	$ (67)	$ 380
3Q 2016 Basic Earnings (Loss) per share (avg. shares outstanding 425M)	$ 0.65	$ 0.19	$ 0.20	$ (0.15)	$ 0.89
Excluding Special Items:					
Regulatory charges	0.02	—	—	—	0.02
Mark-to-market adjustments	—	—	(0.02)	—	(0.02)
Merger accounting - commodity contracts	—	—	0.01	—	0.01
Total Special Items	$ 0.02	$ —	$ (0.01)	$ —	$ 0.01
Basic Earnings (Loss) per share - Operating (Non-GAAP)	$ 0.67	$ 0.19	$ 0.19	$ (0.15)	$ 0.90

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 42%. 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)

Nine Months Ended September 30, 2017	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2017 Net Income (Loss) - GAAP	$ 756	$ 264	$ (57)	$ (188)	$ 775
2017 Basic Earnings (Loss) Per Share (avg. shares outstanding 444M)	$ 1.71	$ 0.59	$ (0.12)	$ (0.43)	$ 1.75
Excluding Special Items:					
Regulatory charges	0.03	0.02	—	—	0.05
Mark-to-market adjustments	—	—	0.09	—	0.09
Asset impairment/Plant exit costs	—	—	0.45	—	0.45
Trust securities impairment	—	—	0.01	—	0.01
Debt redemption costs	—	—	—	0.01	0.01
Total Special Items	$ 0.03	$ 0.02	$ 0.55	$ 0.01	$ 0.61
Basic Earnings (Loss) Per Share - Operating (Non-GAAP)	$ 1.74	$ 0.61	$ 0.43	$ (0.42)	$ 2.36

Nine Months Ended September 30, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
2016 Net Income (Loss) - GAAP	$ 573	$ 244	$ (1,029)	$ (169)	$ (381)
2016 Basic Earnings (Loss) Per Share (avg. shares outstanding 425M)	$ 1.35	$ 0.57	$ (2.43)	$ (0.39)	$ (0.90)
Excluding Special Items:					
Regulatory charges	0.12	—	—	—	0.12
Mark-to-market adjustments	—	—	(0.02)	—	(0.02)
Asset impairment/Plant exit costs	—	—	2.99	—	2.99
Trust securities impairment	—	—	0.02	—	0.02
Merger accounting - commodity contracts	—	—	0.04	—	0.04
Total Special Items	$ 0.12	$ —	$ 3.03	$ —	$ 3.15
Basic Earnings (Loss) Per Share - Operating (Non-GAAP)	$ 1.47	$ 0.57	$ 0.60	$ (0.39)	$ 2.25

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 42%. See slide 16 for details regarding special items.

FE Corp. Income Statements – 3Q 2017 and 3Q 2016

Consolidated GAAP and Special Items

(In millions, except per share amounts)

	Three Months Ended September 30, 2017		Three Months Ended September 30, 2016	
	GAAP	Special Items	GAAP	Special Items
(1) **Revenues**	$ 3,714	$ —	$ 3,917	$ —
Operating Expenses				
(2) Fuel	363	—	450	(8) (e)
(3) Purchased power	861	—	979	—
(4) Other operating expenses	942	(18) (a,b)	953	8 (a,b)
(5) Provision for depreciation	289	—	311	—
(6) Amortization of regulatory assets, net	91	—	98	—
(7) General taxes	253	—	265	—
(8) Impairment of assets	31	(31) (a,c)	—	—
(9) **Total Operating Expenses**	2,830	(49)	3,056	—
(10) **Operating Income**	884	49	861	—
Other Income (Expense)				
(11) Investment income	37	3 (d)	28	2 (d)
(12) Interest expense	(305)	6 (f)	(286)	2 (f)
(13) Capitalized financing costs	19	—	28	—
(14) **Total Other Expense**	(249)	9	(230)	4
(15) **Income Before Income Taxes**	635	58	631	4
(16) Income taxes	239	21	251	1
(17) **Net Income**	$ 396	$ 37	$ 380	$ 3

The above special items, if any, provide 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. See slide 13 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Regulatory charges: 2017 ($0.03 per share)**, ($8) million included in "Other operating expenses"; ($13) million included in "Impairment of assets". **2016 ($0.02 per share)**, ($8) million included in "Other operating expenses".

(b) **Mark-to-market adjustments: 2017 ($0.01 per share)**, ($10) million included in "Other operating expenses". **2016 (($0.02) per share)**, $16 million included in "Other operating expenses".

(c) **Asset impairment/Plant exit costs: 2017 ($0.03 per share)**, ($18) million included in "Impairment of assets".

(d) **Trust securities impairment: 2017**, $3 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) **Debt redemption costs: 2017 ($0.01 per share)**, $6 million included in "Interest expense". **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 on slide 13 divided by the weighted average shares outstanding of 444 million shares in the third quarter of 2017 and 425 million shares in the third quarter of 2016.

FE Corp. Income Statements – YTD 2017 and YTD 2016

Consolidated GAAP and Special Items

(In millions, except per share amounts)

	Nine Months Ended September 30, 2017		Nine Months Ended September 30, 2016	
	GAAP	Special Items	GAAP	Special Items
(1) **Revenues**	$ 10,575	$ (5) [c]	$ 11,187	$ —
Operating Expenses				
(2) Fuel	1,074	—	1,269	(82) [c,e]
(3) Purchased power	2,459	—	2,992	—
(4) Other operating expenses	3,041	(252) [a,b,c]	2,835	(69) [a,b]
(5) Provision for depreciation	845	—	974	—
(6) Amortization of regulatory assets, net	215	—	222	—
(7) General taxes	777	—	786	—
(8) Impairment of assets	162	(162) [a,c]	1,447	(1,447) [c]
(9) **Total Operating Expenses**	8,573	(414)	10,525	(1,598)
(10) **Operating Income**	2,002	409	662	1,598
Other Income (Expense)				
(11) Investment income	78	10 [d]	75	11 [c,d]
(12) Interest expense	(882)	6 [f]	(863)	4 [f]
(13) Capitalized financing costs	59	—	79	—
(14) **Total Other Expense**	(745)	16	(709)	15
(15) **Income (Loss) Before Income Taxes**	1,257	425	(47)	1,613
(16) Income taxes	482	152	334	275 [c]
(17) **Net Income (Loss)**	$ 775	$ 273	$ (381)	$ 1,338

The above special items, if any, provide 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. See slide 14 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Regulatory charges: 2017 ($0.05 per share)**, ($25) million included in "Other operating expenses"; ($13) million included in "Impairment of assets". **2016 ($0.12 per share)**, ($79) million included in "Other operating expenses".

(b) **Mark-to-market adjustments: 2017 ($0.09 per share)**, ($64) million included in "Other operating expenses". **2016 (($0.02) per share)**, $10 million included in "Other operating expenses".

(c) **Asset impairment/Plant exit costs: 2017 ($0.45 per share)**, ($5) million included in "Revenues"; ($163) million included in "Other operating expenses"; and ($149) 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".

(d) **Trust securities impairment: 2017 ($0.01 per share)**, $10 million included in "Investment income". **2016 ($0.02 per share)**, $13 million included in "Investment income".

(e) **Merger accounting - commodity contracts: 2016 ($0.04 per share)**, ($24) million included in "Fuel".

(f) **Debt redemption costs: 2017 ($0.01 per share)**, $6 million included in "Interest expense". **2016**, $4 million included in "Interest expense".

Per share amounts included above are based on the after-tax effect of the above special items as discussed on slide 14 divided by the weighted average shares outstanding of 444 million shares in the first nine months of 2017 and 425 million shares in the first nine months of 2016.

Earnings (Loss) Per Share – Forecast for 2017

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

In millions, except per share amounts	Revised Guidance – October 26, 2017					Prior Guidance – September 6, 2017				
	Regulated Distribution	Regulated Transmission	CES	Corporate / Other	FE Consolidated	Regulated Distribution	Regulated Transmission	CES	Corporate / Other	FE Consolidated
2017F Net Income (Loss) - GAAP	$895 - $990	$355 - $365	($120) - ($45)	($230)	$900 - $1,080	$980 - $1,025	$360 - $380	($140) - ($85)	($250) - ($235)	$950 - $1,085
2017F Basic EPS*	$2.01 - $2.22	$0.80 - $0.82	($0.27) - ($0.10)	($0.52)	$2.02 - $2.42	$2.20 - $2.30	$0.81 - $0.85	($0.31) - ($0.19)	($0.56) - ($0.52)	$2.14 - $2.44
Excluding Special Items										
Regulatory Charges	0.04	0.02	---	---	0.06	0.04	---	---	---	0.04
Mark-to-market adjustments:										
Pension/OPEB actuarial assumptions**	0.05 – 0.22	---	0.01 – 0.14	---	0.06 – 0.36	---	---	---	---	---
Other	---	---	0.09	---	0.09	---	---	0.08	---	0.08
Asset impairment/Plant exit costs	---	---	0.45	---	0.45	---	---	0.42	---	0.42
Trust securities impairment	---	---	0.01	---	0.01	---	---	0.01	---	0.01
Debt Redemption Costs	---	---	---	0.01	0.01	---	---	---	0.01	0.01
Total Special Items	0.09 - 0.26	0.02	0.56 - 0.69	0.01	0.68 - 0.98	0.04	---	0.51	0.01	0.56
2017F Basic EPS - Operating*	$2.27 - $2.31	$0.82 - $0.84	$0.42 - $0.46	($0.51)	$3.00 - $3.10	$2.24 - $2.34	$0.81 - $0.85	$0.20 - $0.32	($0.55) - ($0.51)	$2.70 - $3.00

	2017F Basic EPS - Operating* Drivers: Revised vs. Prior Guidance	2017F Special Items: Revised vs. Prior Guidance
Regulated Distribution	– Unfavorable weather + Better-than-expected load growth	– Pension/OPEB Mark-to-Market
Regulated Transmission		– Regulatory charges
CES	+ Lower retail and generation O&M expense + Favorable commodity margin due to delay AES gas/hydro sale + Lower property taxes + Higher investment income on NDT securities	– Pension/OPEB Mark-to-Market – Other Mark-to-Market adjustments – Asset impairments/plant exit costs
Corporate / Other	– Higher net financing costs due to $3B LTD issuance + Expected lower Consolidated effective income tax rate	

* Per share amounts for the special items and earnings drivers above are based on the after-tax effect of each item divided by forecasted weighted average basic shares outstanding of 445 million shares. 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%.

**Based on current discount rates ranging from 4.00% to 3.75% for the pension plans and 3.75% to 3.50% for the OPEB plans and actual gains through September 30, 2017 on pension plan assets of 12.5% and on OPEB plan assets of 8.6%.

Ohio – Ohio Clean Energy Jobs Legislation

- House Bill 381 (HB 381) introduced on October 11, 2017
  - Bill enhances the prior House Bill 178 (Zero-Emissions Nuclear Resource (ZEN) Program) introduced on April 10, 2017
  - Substitute Senate Bill mirrors the language in HB 381
  - Additional hearings expected in the House and the Senate during the fall session

- HB 381 as revised:
  - Term would begin in 2018 and end on December 31, 2030
    - Term shortened to 13 years from 16 years
  - Initial price would be set by the Public Utilities Commission (PUCO) and start at \$17/MWh for the first two-year period and adjusted for inflation thereafter
  - Non-bypassable charge for residential customers will be set at \$2.50/month; non-residential will be set at lesser of 5% of total bill or \$3,500
    - May be adjusted downward in the event of decreased nuclear output
  - Other changes include requiring the PUCO to conduct an inquiry in 2029 to determine if continuing the program is in the public interest, and removing language from HB 178 requiring a PUCO evaluation during years 6 and 11 of the program

New Jersey – Regulatory Update

- Consolidated Tax Adjustment (CTA)
  - In 2014, the New Jersey Board of Public Utilities (BPU) issued an order (Docket No. EO12121072), revising its policy for calculating the CTA such that:
    - The time period for the calculation of the savings would look back five years from the beginning of the test year;
    - The savings allocation method would allow 75% of the calculated savings to be retained by the company and 25% of the calculated savings to be allocated to the ratepayers; and
    - Transmission assets of the EDCs would not be included in the calculation of the CTA.
  - On September 18, 2017, The Superior Court of NJ Appellate Division (The Court) issued an opinion reversing the BPU's 2014 order
    - The Court concluded that the BPU's modification of its CTA methodology constituted a rulemaking and the process conducted did not comply with the NJ Administrative Procedure Act
    - The Court did not address the substance of the CTA methodology
  - The Court opinion does not have any immediate impact on JCP&L and its existing rates
  - On October 20, 2017, the BPU directed its staff to begin a formal rulemaking process to modify its CTA methodology

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: 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
  - FERC issued a deficiency letter requesting additional information to facilitate FERC's review and MP responded on July 18, 2017
    - FERC order anticipated by early 2018
  - WVPSC held an evidentiary hearing on September 26-29 and October 10, 2017
    - WVPSC order is anticipated by early 2018

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 (FPA) 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
  - 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
  - At JCP&L, settlement negotiations commenced in April 2017 and are ongoing
- **On October 13, 2017, MAIT and certain parties filed a settlement agreement with FERC; agreement is currently pending approval at FERC**
  - Provides for certain changes to MAIT's formula rate template and protocols
  - Changes MAIT's ROE from 11% to 10.3% through period ending December 31, 2021, and thereafter to stay in effect unless changed pursuant to section 205 or 206 of the FPA
  - Sets the recovery amount for certain regulatory assets
  - Establishes that MAIT's capital structure will not exceed 60% equity through the period ending December 31, 2021, and thereafter equity to remain capped at 60% unless changed pursuant to section 205 or 206 of the FPA

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** ▪ **FES 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, after-tax 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. Settlement discussions on other related disputes are ongoing.** ▪ **Completed internal implementation of processes allowing for FES and FENOC's transition from the unregulated money pool if necessary** ▪ **FES continued ongoing discussions with its creditor advisors**	**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 an asset purchase agreement to sell a portion of property and certain assets at the Hatfield's Ferry Power Station (transaction pending)** ▪ **AE Supply entered into an amended asset purchase agreement to sell 1,615 MW of natural gas and hydro assets to LS Power for $825M (transaction pending)** ▪ **AE Supply entered into an asset purchase agreement to sell Pleasants to MP for a purchase price of $195M, or $150/KW (transaction pending)** ▪ **Ohio HB 381 introduced to support clean energy jobs; replaces prior HB 178 to minimize impact to customers** ▪ **Secretary Perry issued a Notice Of Proposed Rulemaking (NOPR) for "Grid Reliability and Resilience Pricing" to raise payments to power plants that keep a 90-day supply of fuel onsite.**
Future	**Detailed roadmap to complete FirstEnergy's exit of commodity-exposed generation focused on the best interest of the company and its shareholders**		

Nuclear Facts

	Perry	Davis-Besse	Beaver Valley 1	Beaver Valley 2
Owner	FES (NG)	FES (NG)	FES (NG)	FES (NG)
Licensee	FENOC	FENOC	FENOC	FENOC
License Expiration	2026 License extension expected to be requested to allow for operation until 2046	2037	2036	2047
NDT Funding (As of September 30, 2017: using SAFSTOR Method)	~$540M	~$585M	~$300M	~$395M

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

	Perry	Davis-Besse	Beaver Valley 1	Beaver Valley 2
NDT Shortfall (If plant closure is accelerated to the date of the next refueling outage)	~$5M	–	~$85M	~$10M
Next Refueling Outage	Spring 2019	Spring 2018	Spring 2018	Fall 2018

Dry Cask Storage Overview

Current:

- 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

If one or more units were to prematurely close:

- 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 operator/owner

2017F Adjusted EBITDA

Competitive Energy Services

		Average $/MWH		2017F ($M)
Closed Q1-Q3 Contract Sales: 32M MWH	×	$50 Contract Rate *less* ($19) Supply Cost *less* ($10) Delivery Cost **$21 avg. net margin**	=	**$675**
Committed Q4 Contract Sales: 10M MWH	×	$50 Contract Rate *less* ($18) Supply Cost *less* ($14 - $15) Delivery Cost **$17 - $18 avg. net margin**	=	**$170 - $185**
Q1-Q3 Closed: 13M MWH **Q1-Q3 Financially-Hedged: 4M MWH** **Total Q1-Q3 Wholesale: 17M MWH**	×	$29 Wholesale Price *plus* $3 Financial Gain *less* ($19) Supply Cost **$13 avg. net margin**	=	**$220**
Q4 Open: 6M MWH **Q4 Financially-Hedged: 1M MWH** **Total Q4 Wholesale: 7M MWH**	×	$29-$32 Wholesale Price *plus* $2 - $1 Financial Gain *less* ($18) Supply Cost **$13 - $15 avg. net margin**	=	**$90 - $105**
		Capacity Revenue	=	**$575**
		Other Revenue	=	**$75**
		Other Operating Expenses	=	**($1,280)**
		CES 2017F Adjusted EBITDA[(1)]	=	**$525 - $555**

(Excludes ~1M MWH of annual distribution losses/pumping)

See slide 25 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 28, and is based on market prices as of September 30, 2017

Notes on 2017F Adjusted EBITDA

Competitive Energy Services

Closed Q1-Q3 Contract Sales:	▪ Includes actual physical volume of contract sales through 09/30/2017 ▪ 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 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-Q3 Wholesale:	▪ Includes actual volume of physical wholesale spot sales at the average realized price and Financial Gains through 09/30/2017 ▪ Financial Gains represent the impact of realized gains on settlement of forward financially-settled transactions
Total 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 September 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 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 28)
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 28)

2018F Adjusted EBITDA

Competitive Energy Services

		Average $/MWH			2018F ($M)
Committed Contract Sales: 26M MWH	×	$50	Contract Rate	=	**$520 - $545**
		less ($15)	Supply Cost		
		less ($14 - $15)	Delivery Cost		
		$20 - $21 avg. net margin			
2018 Open: 22M MWH	×	$27 - $32	Wholesale Price	=	**$300 - $395**
2018 Financially-Hedged: 1M MWH		*plus* $1-$0	Financial Gain		
Total 2018 Wholesale: 23M MWH		*less* ($15)	Supply Cost		
(Excludes ~1M MWH of distribution losses)		**$13 - $17 avg. net margin**			
		Capacity Revenue		=	**$475**
		Other Revenue		=	**$15**
		Other Operating Expenses		=	**($1,280)**
		CES 2018F Adjusted EBITDA[(1)]		=	**$30 - $150**

See slide 27 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 28, and is based on market prices as of September 30, 2017

Excludes the contribution of 1,615 MW of AE Supply assets (sale pending) and 1,300 MW from Pleasants Power Station (transfer expected by early 2018)

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 = $28/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 that is included in “Revenues – Unregulated Businesses” on the Consolidated Statements of Income ▪ Excludes Investment Income that is excluded from Adjusted EBITDA (see slide 28)
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 28)

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

Competitive Energy Services

($ Millions)	2017F	2018F
Net Income (Loss) – GAAP	($120) – ($45)	($230) – ($145)
Special Items (after tax)[1]	305 – 250	85
Operating Earnings (Loss)	$185 - $205	($145) – ($60)
Income Taxes[2]	90 - 115	(85) - (35)
Interest Expense, Net	155 - 145	125 - 115
Depreciation	120 - 115	135 - 130
Amortization[3]	55	55
Investment Income	(80)	(55)
Adjusted EBITDA[1]	$525 - $555	$30 - $150

(1) Adjusted EBITDA is a non-GAAP financial measure and represents Net Income (Loss) - GAAP adjusted for Special Items and the addition of Income Taxes; Interest Expense, net; Depreciation, Amortization and Investment Income. Special Items for 2017 are listed on slide 17. Special Items for 2018 are related to debt redemption costs, including make-whole payments, due to the expected sale of AE Supply's hydro asset and Pleasants transaction in the first quarter of 2018.

(2) Income taxes excluding the tax effect of Special Items

(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 $215M 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	–	–	–	(500)	(500)
Letters of Credit (LOC)	–	–	–	(10)	(10)
Total Utilization	–	–	$ (510)		$ (510)
Available Credit Capacity	$ 500	$ 1,000	$ 3,490		$ 4,490
Cash & Investments	2	130	242	23	399
Available Liquidity	$ 502	$ 1,130	$ 3,755		$ 4,889

As of September 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	–	–	–	$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	

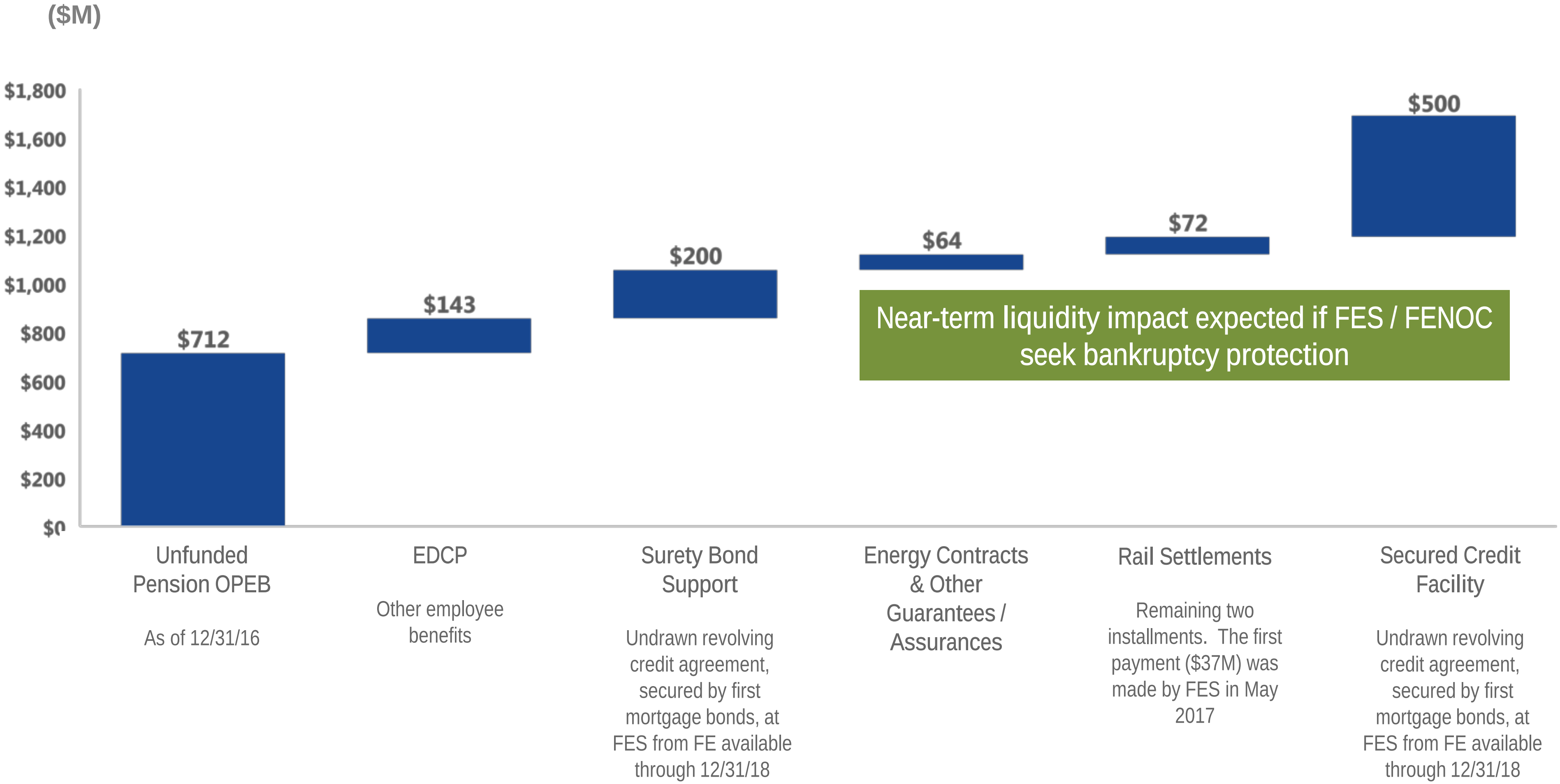
[1] In addition, FE Corp. provides FES with other assurances of $169M related to the surety bond for the benefit of the Pennsylvania Department of Environmental Protection with respect to Little Blue Run and $58M related to sale-leasebacks.

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

As of September 30, 2017

FE Parental Guarantees / Other Assurances

On behalf of FES / FENOC



As of September 30, 2017

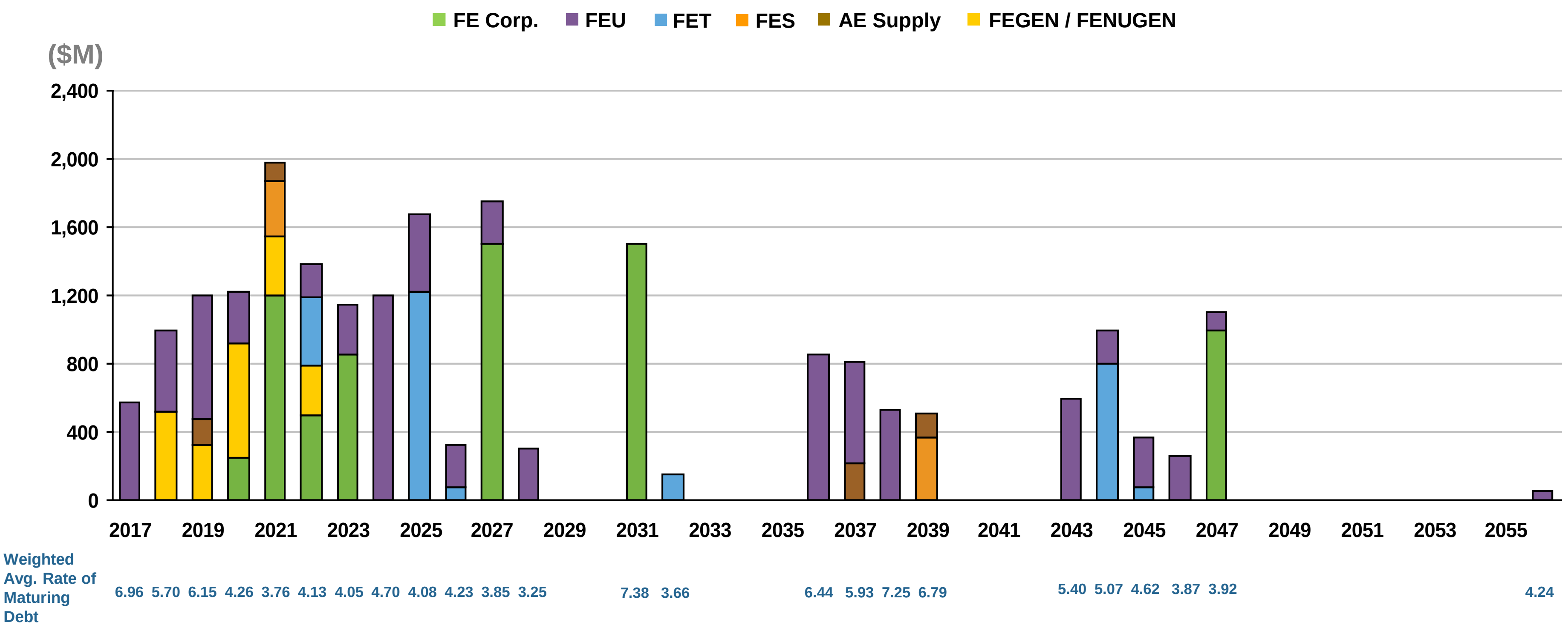
Financial – Potential Collateral Requirements

($M)

Contractual Obligations for Additional Credit As of September 30, 2017	FES	AES	Regulated	FE Corp	Total
At Current Credit Rating	$6	$2	–	–	$8
Upon Further Downgrade	–	–	$42	–	$42
Surety Bonds[1]	$48	$24	$105	$185	$362
Maximum Potential	$54	$26	$147	$185	$412

[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. provides credit support for $169 million of FG surety bonds for the benefit of the Pennsylvania Department of Environmental Protection with respect to Little Blue Run.

Financial – Consolidated Long-Term Debt Maturities



Excludes securitization bonds

As of September 30, 2017

Financial – Outstanding Debt by Legal Entity

($M)

Hold Co. At 9/30/2017	FE Hold Co.
Short-term Debt	500
Long-term Debt	6,800
Debt Subtotal	**7,300**
Discounts	(16)
Unamortized Issuance Costs	(35)
Total Balance Sheet Debt	**7,250**

Utilities At 9/30/2017	Ohio Edison	Cleveland Electric	Toledo Edison	Penn Power	Metropolitan Edison	Pennsylvania Electric	Jersey Central	Mon Power	Potomac Edison	West Penn Power
Short-term Debt	-	107	11	-	10	-	-	-	-	-
Long-term Debt	650	1,200	350	152	850	1,125	1,700	1,324	500	725
Securitization Bonds	131	146	39	-	-	-	60	277	93	-
Debt Subtotal	**781**	**1,452**	**400**	**152**	**860**	**1,125**	**1,760**	**1,601**	**593**	**725**
Discounts	(8)	(2)	-	-	(1)	(2)	(6)	(1)	-	-
Unamortized Issuance Costs	(2)	(3)	(2)	(1)	(3)	(6)	(6)	(13)	(4)	(3)
Purchase Accounting	-	-	-	-	-	-	-	10	3	1
Capital Leases	15	17	7	3	12	18	8	3	3	6
Total Balance Sheet Debt	**786**	**1,464**	**405**	**154**	**868**	**1,135**	**1,756**	**1,600**	**594**	**729**

Transmission At 9/30/2017	FET Hold Co.	ATSI	TrAIL	AET PATH
Short-term Debt	-	-	19	2
Long-term Debt	1,000	1,100	625	-
Debt Subtotal	**1,000**	**1,100**	**644**	**2**
Discounts	(2)	(4)	-	-
Unamortized Issuance Costs	(7)	(7)	(4)	-
Total Balance Sheet Debt	**991**	**1,090**	**640**	**2**

Competitive Energy Services At 9/30/2017	FES Hold Co.	FE Generation	FE Nuclear Generation	Allegheny Energy Supply	Allegheny Generating
Short-term Debt	186	-	-	-	9
Long-term Debt	696	1,015	1,126	521	100
Debt Subtotal	**882**	**1,015**	**1,126**	**521**	**109**
Discounts	(1)	-	-	-	-
Unamortized Issuance Costs	(3)	(4)	(6)	-	-
Purchase Accounting	-	-	-	(27)	-
Capital Leases	-	4	-	-	-
Total Balance Sheet Debt	**877**	**1,015**	**1,120**	**494**	**108**

Totals may not foot due to rounding

Financial – Credit Ratings

As of 10/27/2017	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-	stable	stable	stable
FirstEnergy Solutions	CCC-	Caa1	CC	CCC+	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+	stable	stable	stable
Cleveland Electric Illuminating	BBB-	Baa3	BBB	BBB+	Baa1	A-	BBB-	Baa3	BBB+	stable	stable	stable
FirstEnergy Transmission	BBB-	Baa2	BBB-	-	-	-	BB+	Baa2	BBB-	stable	stable	stable
Jersey Central Power & Light	BBB-	Baa2	BBB-	-	-	-	BBB-	Baa2	BBB	stable	stable	stable
Metropolitan Edison	BBB-	A3	BBB	-	-	-	BBB-	A3	BBB+	stable	stable	stable
Mid-Atlantic Interstate Transmission	BBB-	Baa1	-	-	-	-	BBB-	Baa1	-	stable	stable	-
Monongahela Power	BBB-	Baa2	BBB-	BBB+	A3	BBB+	-	-	-	stable	stable	stable
Ohio Edison Co.	BBB-	Baa1	BBB	BBB+	A2	A-	BBB-	Baa1	BBB+	stable	stable	stable
Pennsylvania Electric Co.	BBB-	Baa1	BBB	-	-	-	BBB-	Baa1	BBB+	stable	stable	stable
Pennsylvania Power Co.	BBB-	Baa1	BBB	-	A2	A-	-	-	-	stable	stable	stable
Potomac Edison Co.	BBB-	Baa2	BBB-	-	-	-	-	-	-	stable	stable	stable
Toledo Edison Co.	BBB-	Baa3	BBB	BBB+	Baa1	A-	-	-	-	stable	stable	stable
Trans-Allegheny Interstate Line Co.	BBB-	A3	BBB	-	-	-	BBB-	A3	BBB+	stable	stable	stable
West Penn Power Co.	BBB-	A3	BBB	BBB+	A1	A-	-	-	-	stable	stable	stable

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

S&P Global Ratings
On August 16, 2017:
- Changed the outlook on FE Corp and its regulated subsidiaries to 'stable' from 'negative'

On August 14, 2017:
- Lowered the issuer and unsecured ratings on FES to CCC- from CCC
- Lowered the secured rating on FES to CCC+ from B-
- The outlook remains 'negative'

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	163
TOTAL	$6,613

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

As of September 30, 2017