Quarterly Highlights

4Q 2018 Earnings Call

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Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 based on information currently available. Unless the context requires otherwise, as used herein, references to “we,” “us,” “our,” and “FirstEnergy” refer to FirstEnergy Corp. Forward-looking statements are subject to certain risks and uncertainties and readers are cautioned not to place undue reliance on these forward-looking statements. These statements include declarations regarding management's intents, beliefs and current expectations, and 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 successfully execute an exit from commodity-based generation; the risks associated with the Chapter 11 bankruptcy proceedings involving FirstEnergy Solutions Corp. (FES), its subsidiaries, and FirstEnergy Nuclear Operating Company (FENOC) (FES Bankruptcy) that could adversely affect FirstEnergy, FirstEnergy’s liquidity or results of operations, including, without limitation, that conditions to our settlement agreement with respect to the FES Bankruptcy settlement agreement may not be met or that such settlement agreement may not be otherwise consummated, and if so, the potential for litigation and payment demands against us by FES, FENOC or their creditors; the ability to accomplish or realize anticipated benefits from strategic and financial goals, including, but not limited to, our strategy to operate and grow as a fully regulated business, to execute our transmission and distribution investment plans, to continue to reduce costs through FE Tomorrow, which is the FirstEnergy initiative launched in late 2016 to identify our optimal organization structure and properly align corporate costs and systems to efficiently support FirstEnergy as a fully regulated company going forward, and other initiatives, and to improve our credit metrics, strengthen our balance sheet and grow earnings; legislative and regulatory developments at the federal and state levels, including, but not limited to, matters related to rates, compliance and enforcement activity; economic and weather conditions affecting future operating results, such as significant weather events and other natural disasters, and associated regulatory events or actions; changes in assumptions regarding economic conditions within our territories, the reliability of our transmission and distribution system, or the availability of capital or other resources supporting identified transmission and distribution investment opportunities; changes in customers' demand for power, including, but not limited to, the impact of state and federal energy efficiency and peak demand reduction mandates; changes in national and regional economic conditions affecting us and/or our major industrial and commercial customers or others with which we do business; the risks associated with cyber-attacks and other disruptions to our information technology system that may compromise our operations, and data security breaches of sensitive data, intellectual property and proprietary or personally identifiable information; the ability to comply with applicable state and federal reliability standards and energy efficiency and peak demand reduction mandates; changes to federal and state environmental laws and regulations, including, but not limited to, those related to climate change; changing market conditions affecting the measurement of certain liabilities and the value of assets held in our pension trusts and other trust funds, or causing us to make additional contributions sooner, or in amounts that are larger, than currently anticipated; the risks associated with the decommissioning of the retired nuclear facility owned by FirstEnergy subsidiaries; the risks and uncertainties associated with litigation, arbitration, mediation and like proceedings; labor disruptions by the unionized workforce of FirstEnergy subsidiaries; changes to significant accounting policies; any changes in tax laws or regulations, including the Tax Cuts and Jobs Act, adopted December 22, 2017, 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; actions that may be taken by credit rating agencies that could negatively affect either our access to or terms of financing or our financial condition and liquidity; and the risks and other factors discussed from time to time in FirstEnergy’s Securities and Exchange Commission (SEC) filings. Dividends declared from time to time on FirstEnergy’s common stock, and thereby on FirstEnergy’s preferred stock, during any period may in the aggregate vary from prior periods due to circumstances considered by FirstEnergy’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 together with, the risk factors included in FirstEnergy’s SEC filings with the SEC, including but not limited to the most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, together with any subsequent Current Reports on Form 8-K. 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 obligation to update or revise, 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 (loss), Operating earnings (loss) per share, Operating earnings (loss) per share by segment, funds from operations and free cash flow. 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 (loss), Operating earnings (loss) per share and Operating earnings (loss) per share by segment are not calculated in accordance with GAAP to the extent 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 also reflect the adjustment to include the full impact of share dilution from the $2.5 billion equity issuance in January 2018. Special items are not necessarily non-recurring. FirstEnergy Corp. (FE or the Company) management cannot estimate on a forward-looking basis the impact of these items in the context of Operating earnings (loss) per share growth projections because these items, which could be significant, are difficult to predict and may be highly variable. Consequently, the Company is unable to reconcile Operating earnings (loss) per share growth projections (i.e. CAGR) to a GAAP measure without unreasonable effort.

Operating earnings (loss) per share and Operating earnings (loss) per share for each segment is calculated by dividing Operating earnings (loss), which excludes special items as discussed above, for the periods presented in 2018 by 538 million shares and by 540 million shares in 2019, which reflects the full impact of share dilution from the equity issuance in January 2018. Beginning in 2018, Regulated operating (non-GAAP) earnings (loss), Regulated operating earnings (loss) per share, and Regulated operating earnings (loss) per share by segment, which were non-GAAP financial measures used in the guidance provided in February 2018, are now referred to as Operating earnings (loss), Operating earnings (loss) per share, and Operating earnings (loss) per share by segment, respectively.

Management uses non-GAAP financial measures such as Operating earnings (loss) and Operating earnings (loss) per share, funds from operation, and free cash flow 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 Operating earnings (loss) per share 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 (loss), Operating earnings (loss) per share and Operating earnings (loss) per share 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, where possible without unreasonable effort, quantitative reconciliations within this presentation of the non-GAAP financial measures to the most directly comparable GAAP financial measures. Refer to appendix slides 11-15.

FES/FENOC Deconsolidation

As a result of the bankruptcy filings, FirstEnergy Solutions Corp. (FES), its subsidiaries and FirstEnergy Nuclear Operating Company (FENOC) were deconsolidated from FE's consolidated financial statements as of March 31, 2018. Additionally, the operating results of FES and FENOC, as well as Bay Shore Power Company (BSPC) and the majority of Allegheny Energy Supply Company, LLC (AE Supply) that are subject to completed or pending asset sales and transfers, collectively representing substantially all of FE's operations that previously comprised the Competitive Energy Services (CES) reportable operating segment, are presented as discontinued operations in Corporate/Other. During the third quarter of 2018, the Pleasants Power Station was also reclassified to discontinued operations. The remaining business activities that previously comprised the CES reportable operating segment were not material, and as such, have been combined into Corporate/Other for reporting purposes. The external segment reporting is consistent with the internal financial reports used by FE's Chief Executive Officer (its chief operating decision maker) to regularly assess performance of the business and allocate resources.

2018 Achievements

2018 Recap

- **In January, announced $2.5B equity investment**
  - Reduced holding company debt by $1.45B and contributed $1.25B to pension plan
  - Eliminates need to issue additional equity outside of employee benefit and stock purchase plans through 2021
- **In April, reached an agreement-in-principle to address obligations in the Chapter 11 bankruptcy proceedings of FES, its subsidiaries and FENOC; entered into definitive settlement agreement in August which was approved by the bankruptcy court in September**
  - Improved risk profile led to ratings upgrades at S&P and a positive outlook at Fitch
- **In October, reduced aggregate commitments under revolving credit facilities to $3.5B from $5B, and extended maturity dates to December 2022**
  - Additionally, refinanced revolver borrowings through two new term loans totaling $1.75B
- **In October, announced results of FE Tomorrow initiative to realign shared services organization and cost structure**
- **In November, Board of Directors approved a new dividend policy and initial dividend increase**
  - Target payout ratio: 55% to 65% of operating earnings; supports increased shareholder returns and continued investments in strategic initiatives
- **Achieved total shareholder return of 27.7% in 2018; making FE the top stock performer in EEI Index**

Through a series of careful, coordinated actions, we met our commitment to fully transform into a premier, pure-play regulated utility

Financial and Business Updates

2018 Results

- **Reported 2018 GAAP earnings of $1.99 per share**
- **Reported 2018 operating (non-GAAP) earnings of $2.59 per share***
  - Operating results exceeded initial 2018 guidance and were near the top end of revised range
  - Four consecutive years of meeting or exceeding guidance
- **Results benefited from favorable weather, solid execution of our growth strategy in transmission and distribution businesses, and modest load growth in all three customer classes**
  - Industrial sales have increased steadily since mid-2016
  - Weather-adjusted residential and commercial sales were modestly positive in 2018

30% transmission rate base

as a % of total rate base

ranks among the **largest** in the nation

* Refer to the appendix (slide 12) for reconciliation between GAAP and Operating (non-GAAP) earnings

Financial and Business Updates (continued)

Distribution Updates

- **In January, the Ohio utilities filed a supplemental settlement addressing the return of tax savings to customers and seeking approval for initial phase of our 3 year, $516M grid modernization program**
  - Broadened support for Stipulation filed in November 2018 by adding residential customer and low-income advocates
- **In February, the Ohio utilities requested approval for two-year extension of Distribution Modernization Rider (Rider DMR)**
- **In January, evidentiary hearings took place in Potomac Edison's base rate case; final order expected by late March**
  - Requested revenue increase of $17.6M, net of $7.3M in customer savings related to federal tax reform
- **"JCP&L Reliability Plus" procedural schedule has been suspended while parties are engaged in settlement discussions**

EmT Strategy

- **Expect newly formed Emerging Technologies Strategy group to continue identifying opportunities for future investments**
  - Focused on ways to better serve customers
  - Working to improve grid performance and energy security

Earnings Guidance

- **Affirming 2019 earnings guidance range of $2.45 to $2.75 per share***
- **Affirming long-term operating (non-GAAP) EPS CAGR* projection of 6% to 8% through 2021**

*Special items in 2019 cannot be reasonably estimated at this time. 2019 operating (non-GAAP) earnings guidance of $2.45 to $2.75 per share is based on forecasted GAAP net income of $1,320M - $1,485M and fully diluted shares 540M. Forecasted net income (loss) ranges by segment are as follows: $1,165M - $1,275M for Regulated Distribution, $435M - $480M for Regulated Transmission, and ($280M) - ($270M) for Corporate/Other. See Slide 3.

4Q 2018 Earnings Results

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

4Q 2018 vs. 4Q 2017 EPS Variance	(GAAP) Basic EPS	(Non-GAAP) Operating EPS*
Regulated Distribution	($0.11)	---
Regulated Transmission	+$0.03	---
Corporate / Other	+$5.95	($0.08)
FE Consolidated	**+$5.87**	**($0.08)**

- **Continue to present all operating results and projections on a fully diluted basis**
- **Reported 4Q 2018 GAAP earnings of $0.25 per basic share**
  - Results include MTM adjustments on pension/OPEB actuarial assumptions, regulatory charges, debt redemption costs, tax reform, exit of competitive generation and impact of full dilution to 538M shares
- **Reported 4Q 2018 Operating (non-GAAP) earnings* of $0.50 per share**

- **Regulated Distribution ($0.11) / $0.00**
  - Results primarily driven by favorable weather, regulated commodity margin and net financing costs offset by higher deprecation and net operating and miscellaneous expenses
  - Total distribution deliveries increased 1.2% in 4Q 2018
    - Heating-degree-days ~7% above 4Q 2017
  - Special items – include MTM adjustments on pension/OPEB actuarial assumptions, regulatory charges, debt redemption costs, tax reform, exit of competitive generation and impact of full dilution to 538M shares
- **Regulated Transmission: +$0.03 / $0.00**
  - Results primarily from higher rate base at MAIT and ATSI offset by higher operating expenses at stated rate companies
  - Special item – includes impact of full dilution to 538M shares
- **Corporate / Other: +$5.95 / ($0.08)**
  - Unfavorable results primarily from the impact of higher income taxes and non-deductible portion of interest
  - Special items – include MTM adjustments on pension/OPEB actuarial assumptions, exit of competitive generation and impact of full dilution to 538M shares

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 number of shares outstanding for the period assuming full impact of dilution from the $2.5 billion equity issuance in January 2018 (538M fully diluted shares). The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount if deductible/taxable. The income tax rates range from 21% to 29% and 35% to 42% in the fourth quarter of 2018 and 2017, respectively.

* Refer to the appendix (slides 11-15) for reconciliation between GAAP and Operating (non-GAAP) earnings

Financial Updates

Pension/OPEB Overview

- **Beginning in 2011, adopted mark-to-market method for pension and OPEB accounting**
- **Net gain or loss is recognized in fourth quarter GAAP results; excluded from operating (non-GAAP) results**
  - Preferred method of accounting under GAAP
- **2018 mark-to-market adjustment of $0.19 per share, resulting from lower-than-expected returns partially offset by a higher discount rate**
- **On February 1, 2019, we made a $500M voluntary cash contribution to our qualified pension plan, given our favorable cash position expected to remain through 2020**
  - Improves funded status to 82%
  - Eliminates projected minimum funding requirements through 2021

Rating Agency Update

- **Rated investment grade across all three agencies (S&P, Moody's and Fitch)**
  - Expect further ratings improvements over time
  - Expect to be compliant with each agency's respective thresholds through 2021 planning period

S&P	Moody's	Fitch
FFO/Debt >9%	CFO pre-WC/Debt >12%	FFO Leverage <6.5x

FE's Value Proposition

NYSE Ticker: FE

A premier customer-focused, pure-play regulated utility

Driving sustainable, long-term regulated earnings growth and a competitive dividend	Improving balance sheet with investment-grade credit ratings

- 10 distribution utilities, 6M customers, 6 states
- 3 FERC-regulated transmission utilities on formula rates
- Significant organic growth opportunities

6% – 8%
Operating EPS CAGR Target 2018-2021

5% Distribution Segment Rate Base CAGR	**11%** Formula Transmission Rate Base CAGR
55%-65% **Targeted Dividend Payout Ratio**	**~4%** **Current Dividend Yield**

- Proven track record of operational execution
- Strong relationships in constructive jurisdictions
- Focused on customer satisfaction and reliability

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Appendix

Earnings (Loss) Per Share – 4Q 2018 and 4Q 2017

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Three Months Ended December 31, 2018	Regulated Distribution	Regulated Transmission	Corporate / Other	FirstEnergy Corp. Consolidated
4Q 2018 Net Income (Loss) attributable to Common Stockholders (GAAP)	$ 127	$ 95	$ (94)	$ 128
4Q 2018 Basic Earnings (Loss) per share (avg. shares outstanding 512M)	$ 0.24	$ 0.19	$ (0.18)	$ 0.25
Excluding Special Items:				
Impact of full dilution to 538M shares	(0.01)	(0.01)	0.02	—
Mark-to-market adjustments - Pension/OPEB actuarial assumptions	0.15	—	0.04	0.19
Regulatory charges	0.01	—	—	0.01
Debt redemption costs	0.01	—	—	0.01
Tax reform	0.02	—	—	0.02
Exit of competitive generation	0.06	—	(0.04)	0.02
Total Special Items	$ 0.24	$ (0.01)	$ 0.02	$ 0.25
4Q 2018 Operating Earnings (Loss) Per Share (Non-GAAP) (538M fully diluted shares)	$ 0.48	$ 0.18	$ (0.16)	$ 0.50

Three Months Ended December 31, 2017	Regulated Distribution	Regulated Transmission	Corporate / Other	FirstEnergy Corp. Consolidated
4Q 2017 Net Income (Loss) attributable to Common Stockholders (GAAP)	$ 160	$ 72	$ (2,731)	$ (2,499)
4Q 2017 Basic Earnings (Loss) per share (avg. shares outstanding 445M)	$ 0.35	$ 0.16	$ (6.13)	$ (5.62)
Excluding Special Items:				
Impact of full dilution to 538M shares	(0.05)	(0.02)	1.04	0.97
Mark-to-market adjustments - Pension/OPEB actuarial assumptions	0.11	—	—	0.11
Regulatory charges	0.01	0.03	—	0.04
Debt redemption costs	—	—	—	—
Tax reform	0.06	0.01	0.18	0.25
Exit of competitive generation	—	—	4.83	4.83
Total Special Items	$ 0.13	$ 0.02	$ 6.05	$ 6.20
4Q 2017 Operating Earnings (Loss) Per Share (Non-GAAP) (538M fully diluted shares)	$ 0.48	$ 0.18	$ (0.08)	$ 0.58

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 number of shares outstanding for the period assuming full impact of dilution from the $2.5B equity issuance in January 2018 (538M fully diluted shares). The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount if deductible/taxable. The income tax rates range from 21% to 29% and 35% to 42% in the fourth quarter of 2018 and 2017, respectively. See slide 14 for details regarding special items.

Earnings (Loss) Per Share – YTD 2018 and YTD 2017

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Year Ended December 31, 2018	Regulated Distribution	Regulated Transmission	Corporate / Other	FirstEnergy Corp. Consolidated
2018 Net Income (Loss) attributable to Common Stockholders (GAAP)	$ 1,242	$ 397	$ (658)	$ 981
2018 Basic Earnings (Loss) Per Share (avg. shares outstanding 492M)	$ 2.53	$ 0.81	$ (1.35)	$ 1.99
Excluding Special Items:				
Impact of full dilution to 538M shares	(0.22)	(0.07)	0.81	0.52
Mark-to-market adjustments - Pension/OPEB actuarial assumptions	0.15	—	0.04	0.19
Regulatory charges	(0.20)	—	—	(0.20)
Debt redemption costs	0.01	—	0.21	0.22
Tax reform	0.04	—	—	0.04
Exit of competitive generation	0.10	—	(0.27)	(0.17)
Total Special Items	$ (0.12)	$ (0.07)	$ 0.79	$ 0.60
2018 Operating Earnings (Loss) Per Share (Non-GAAP) (538M fully diluted shares)	$ 2.41	$ 0.74	$ (0.56)	$ 2.59

Year Ended December 31, 2017	Regulated Distribution	Regulated Transmission	Corporate / Other	FirstEnergy Corp. Consolidated
2017 Net Income (Loss) attributable to Common Stockholders (GAAP)	$ 916	$ 336	$ (2,976)	$ (1,724)
2017 Basic Earnings (Loss) Per Share (avg. shares outstanding 444M)	$ 2.06	$ 0.76	$ (6.70)	$ (3.88)
Excluding Special Items:				
Impact of full dilution to 538M shares	(0.36)	(0.13)	1.17	0.68
Mark-to-market adjustments - Pension/OPEB actuarial assumptions	0.11	—	—	0.11
Regulatory charges	0.04	0.04	—	0.08
Debt redemption costs	—	—	0.01	0.01
Tax reform	0.06	0.01	0.18	0.25
Exit of competitive generation	—	—	4.92	4.92
Total Special Items	$ (0.15)	$ (0.08)	$ 6.28	$ 6.05
2017 Operating Earnings (Loss) Per Share (Non-GAAP) (538M fully diluted shares)	$ 1.91	$ 0.68	$ (0.42)	$ 2.17

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 number of shares outstanding for the period assuming full impact of dilution from the $2.5B equity issuance in January 2018 (538M fully diluted shares). The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount if deductible/taxable. The income tax rates range from 21% to 29% and 35% to 38% in 2018 and 2017, respectively. See slide 15 for details regarding special items.

Earnings Per Share – 4Q / YTD 2017 vs. Previously Reported 4Q / YTD 2017

Reconciliation of GAAP to Operating (Non-GAAP) Earnings

(In millions, except per share amounts)

Reconciliation of 4Q 2017 Operating EPS to as previously reported in 2017

Three Months Ended December 31, 2017		FirstEnergy Corp. Consolidated
4Q 2017 Net Income Attributable to Common Stockholders (GAAP)	**$**	**(2,499)**
4Q 2017 Basic EPS (avg. shares outstanding 445M)	**$**	**(5.62)**
Excluding Special Items as reported in 4Q 2017:		
Mark-to-market adjustments -		
Pension/OPEB actuarial assumptions		0.19
Other		0.03
Regulatory charges		0.05
Asset impairment/Plant exit costs		3.38
Tax reform		2.68
Total Special Items		6.33
4Q 2017 Operating EPS (Non-GAAP) as reported in 2017		**0.71**
Remove Competitive Energy Services Operating Earnings		(0.04)
4Q 2017 Operating EPS (Non-GAAP) without competitive energy services operating earnings		**0.67**
Impact of full dilution to 538M shares		(0.09)
4Q 2017 Operating EPS (Non-GAAP) (538M fully diluted shares)	**$**	**0.58**

Reconciliation of 2017 Operating EPS to as previously reported in 2017

Twelve Months Ended December 31, 2017		FirstEnergy Corp. Consolidated
2017 Net Income Attributable to Common Stockholders (GAAP)	**$**	**(1,724)**
2017 Basic EPS (avg. shares outstanding 444M)	**$**	**(3.88)**
Excluding Special Items as reported in 2017:		
Mark-to-market adjustments -		
Pension/OPEB actuarial assumptions		0.19
Other		0.12
Trust securities impairment		0.02
Regulatory charges		0.10
Asset impairment/Plant exit costs		3.83
Debt redemption costs		0.01
Tax reform		2.68
Total Special Items		6.95
2017 Operating EPS (Non-GAAP) as reported in 2017		**3.07**
Remove Competitive Energy Services Operating Earnings		(0.46)
2017 Operating EPS (Non-GAAP) without competitive energy services operating earnings		**2.61**
Impact of full dilution to 538M shares		(0.44)
2017 Operating EPS (Non-GAAP) (538M fully diluted shares)	**$**	**2.17**

FE Corp. Income Statements – 4Q 2018 and 4Q 2017

Consolidated GAAP and Special Items

(In millions, except per share amounts)

	Three Months Ended December 31, 2018		Three Months Ended December 31, 2017	
	GAAP	Special Items	GAAP	Special Items
(1) **Revenues**	$ 2,710	$ —	$ 2,681	$ —
Operating Expenses				
(2) Fuel	134	—	101	—
(3) Purchased power	716	—	711	—
(4) Other operating expenses	770	(24) (b) (e)	803	(139) (b) (e)
(5) Provision for depreciation	293	—	262	—
(6) Amortization of regulatory assets, net	38	(3) (b)	34	—
(7) General taxes	247	—	237	—
(8) Impairment of assets	—	—	28	(28) (b)
(9) **Total Operating Expenses**	2,198	(27)	2,176	(167)
(10) **Operating Income**	512	27	505	167
Other Income (Expense)				
(11) Miscellaneous income, net	41	—	9	—
(12) Pension and OPEB mark-to-market adjustment	(144)	136 (a)	(102)	102 (a)
(13) Interest expense	(258)	4 (c)	(254)	—
(14) Capitalized financing costs	18	—	13	—
(15) **Total Other Expense**	(343)	140	(334)	102
(16) **Income Before Income Taxes**	169	167	171	269
(17) Income taxes	(13)	20 (d)	1,232	(1,108) (d) (e)
(18) **Income From Continuing Operations**	182	147	(1,061)	1,377
(19) Discontinued operations (net of income taxes)	(44)	(16) (e)	(1,438)	1,438 (e)
(20) **Net Income (Loss)**	$ 138	$ 131	$ (2,499)	$ 2,815

The above special items 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 11 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Mark-to-market adjustments - Pension/OPEB actuarial assumptions: 2018 ($0.19 per share)**, $136 million included in "Pension/OPEB mark-to-market adjustment". **2017 ($0.11 per share)**, $102 million included in "Pension/OPEB mark-to-market adjustment".

(b) **Regulatory charges: 2018 ($0.01 per share)**, ($3) million included in "Amortization of regulatory assets, net"; ($2) million included in "Other operating expenses". **2017 ($0.04 per share)**, ($8) million included in "Other operating expenses"; ($28) million included in "Impairment of assets and related charges".

(c) **Debt redemption costs: 2018 ($0.01 per share)**, $4 million included in "Interest expense".

(d) **Tax reform: 2018 ($0.02 per share)**, ($9) million included in "Income taxes". **2017 ($0.25 per share)**, ($131) million included in "Income taxes".

(e) **Exit of competitive generation: 2018 ($0.02 per share)**, ($22) million included in "Other operating expenses"; ($16) million included in "Discontinued operations (net of income taxes)". **2017 ($4.83 per share)**, ($131) million included in "Other operating expenses"; ($1,097) million included in "Income taxes; ($1,438) million included in "Discontinued operations (net of income taxes)".

Per share amounts included above are based on the after-tax effect of the above special items as discussed on slide 11 divided by 538 million fully diluted shares.

FE Corp. Income Statements – YTD 2018 and YTD 2017

Consolidated GAAP and Special Items

(In millions, except per share amounts)

	Year Ended December 31, 2018		Year Ended December 31, 2017	
	GAAP	Special Items	GAAP	Special Items
(1) Revenues	$ 11,261	$ —	$ 10,928	$ —
Operating Expenses				
(2) Fuel	538	—	497	—
(3) Purchased power	3,109	—	2,926	—
(4) Other operating expenses	3,133	(111) (b) (e)	2,761	(239) (a) (b)
(5) Provision for depreciation	1,136	—	1,027	—
(6) Amortization (deferral) of regulatory assets, net	(150)	49 (b)	308	—
(7) General taxes	993	—	940	—
(8) Impairment of assets	—	—	41	(41) (b)
(9) Total Operating Expenses	8,759	(62)	8,500	(280)
(10) Operating Income	2,502	62	2,428	280
Other Income (Expense)				
(11) Miscellaneous income, net	205	(4) (b) (e)	53	—
(12) Pension and OPEB mark-to-market adjustment	(144)	136 (a)	(102)	102 (a)
(13) Interest expense	(1,116)	110 (c)	(1,005)	6 (c)
(14) Capitalized financing costs	65	—	52	—
(15) Total Other Expense	(990)	242	(1,002)	108
(16) Income Before Income Taxes	1,512	304	1,426	388
(17) Income taxes	490	(102) (d)	1,715	(1,065) (d) (e)
(18) Income From Continuing Operations	1,022	406	(289)	1,453
(19) Discontinued operations (net of income taxes)	326	(363) (c) (e)	(1,435)	1,440 (e)
(20) Net Income (Loss)	$ 1,348	$ 43	$ (1,724)	$ 2,893

The above special items 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 12 for GAAP to Operating (non-GAAP) EPS Reconciliation.

(a) **Mark-to-market adjustments - Pension/OPEB actuarial assumptions: 2018 ($0.19 per share)**, $136 million included in "Pension and OPEB mark-to-market adjustment". **2017 ($0.11 per share)**, $102 million included in "Pension and OPEB mark-to-market adjustments".

(b) **Regulatory charges: 2018 (($0.20) per share)**, $95 million included in "Other operating expenses"; $49 million included in "Amortization (deferral) of regulatory assets, net"; $6 million included in "Miscellaneous income, net". **2017 ($0.08 per share)**, ($33) million included in "Other operating expenses"; ($41) million included in "Impairment of assets and related charges".

(c) **Debt redemption costs: 2018 ($0.22 per share)**, $110 million included in "Interest expense"; $13 million included in "Discontinued operations". **2017 ($0.01 per share)**, $6 million included in "Interest expense".

(d) **Tax Reform: 2018 ($0.04 per share)**, ($22) million included in "Income taxes". **2017 ($0.25 per share)**, ($131) million included in "Income taxes".

(e) **Exit of competitive generation: 2018 (($0.17) per share)**, ($206) million included in "Other operating expenses"; ($10) million included in "Miscellaneous income, net"; ($376) million included in "Discontinued operations (net of income taxes)". **2017 ($4.92 per share)**, ($206) million included in "Other operating expenses"; ($1,097) million included in "Income taxes; $1,440 million included in "Discontinued operations (net of income taxes)".

Per share amounts included above are based on the after-tax effect of the above special items as discussed on slide 12 divided by 538 million fully diluted shares.

Regulatory Calendar

Jurisdiction	Key Dates
OHIO	
• PUCO decision on Grid Mod (DPM) /Tax Reform Settlement *(expected)*	1Q/2Q 2019
• Base Rate Case freeze ends	May 2024
NEW JERSEY	
• NJ BPU "JCP&L Reliability Plus" infrastructure investment plan decision *(expected)*	1Q/2Q 2019
MARYLAND	
• PE Base Rate Case final order	March 23, 2019
FERC	
• NJ Transmission Formula Rate Filing	September/October 2019

Federal – **Tax Reform**

Jurisdiction	Change in Tax Rate	Excess Deferred Income Taxes
Ohio	✓ Hearing complete with broad support	
Pennsylvania	✓ Order to pass on savings to customers	
New Jersey	Interim rates in effect; Settlement discussions in progress	Deferring impact while settlement discussions in progress
West Virginia	✓ Order to pass on savings to customers	✓ Order to defer Excess ADIT savings until addressed in 2020 proceeding
Maryland	Jan-Sep 2018 savings refunded to customers; deferring remaining impact until order issued in pending base rate case	
FERC – Formula Rates	✓ Rates will adjust with normal annual update/true-up process	Deferring impact while awaiting further guidance
FERC – WPP,MP,PE	✓ Order to pass on savings to customers	Deferring impact while awaiting further guidance
FERC – JCP&L	✓ Settlement fully addressed tax reform for duration of current stated rate	

Maryland – **Regulatory Update**

- **On August 24, 2018, PE filed request with the MD PSC for a Distribution base rate increase**
  - PE's first base rate filing in MD since 1994 (and first as a distribution-only company)
  - Transmission not included in the base rate filing
- **On October 22, 2018, PE supplemented its original filing to update the partially forecasted test year with a full twelve months of actual data**
- **Financials**
  - Requested ROE: 10.8% (last authorized ROE was 11.9% from 1994)
  - Capital structure: 47% debt / 53% equity; Cost of debt: 4.335%
  - Rate base: $421M ($470M with adjustments)
  - Rate case historic test year: 12 months ended June 30, 2018
  - Requested annual distribution rate increase: $17.6M
  - Request is a net increase since it reflects reduced tax expense due to the TCJA
    - Annualized effect of TCJA is a $7.3M revenue requirement reduction (current taxes plus excess ADITs)
  - New Electric Distribution Investment Surcharge requested to recover incremental investments and enhancements for vegetation management transition (from a 5-year to a 4-year clearing cycle), distribution automation, underground cable replacement, and substation reclosers
    - Incremental O&M of $2-3M/year and incremental capital investment of $10-$15M/year
- **Hearings occurred January 22 – 28, 2019**
- **Final order expected by March 23, 2019**

Pennsylvania – **Regulatory Update**

- **Distribution System Improvement Charge Rider (DSIC Rider)**
  - Rider set to zero when new rates implemented on January 27, 2017
    - Expected to restart when gross plant balances exceed the amount recovered in base rates and if reported ROE does not exceed the PA PUC published benchmark of 9.65% (subject to change)
  - DSIC Rider for PP and WPP restarted effective April 1, 2018
  - DSIC Rider for PN restarted effective October 1, 2018
  - DSIC Rider for ME restarted effective January 1, 2019
  - ME, PN, PP, and WPP filed Revised LTIIPs on January 18, 2019 in compliance with the PA PUC's midterm review of the Companies' LTIIPs

New Jersey – **Regulatory Update**

- **Infrastructure Investment Program (IIP)**
  - On July 13, 2018, JCP&L filed "JCP&L Reliability Plus" with the NJ BPU
    - Investment would begin after NJ BPU approval, with initial rate effective approximately nine months later
      - Rate updates to be filed every six months, subject to an earnings test
  - Four-year plan aimed at enhancing the reliability and resiliency of JCP&L's distribution system against severe weather and reducing the frequency and duration of power outages
  - Includes ~$400M in targeted investments above and beyond baseline annual investments
  - Key projects include:
    - Overhead circuit reliability and resiliency – Enhanced vegetation management with emphasis on removing trees affected by the emerald ash borer near JCP&L power lines and equipment; installing new TripSaver II devices to reduce the number of momentary outages from becoming longer-duration outages
    - Substation reliability enhancement – Protecting JCP&L substations from storm damage by implementing flood mitigation measures, upgrading distribution substation equipment, enhancing substation fencing and acquiring four mobile substations
    - Distribution automation – Installing new technology that can pinpoint and isolate damage on the system, which quickly decreases the number of customers affected by an outage
    - Underground system improvements – Accelerating replacement of underground cable and submersible transformers with new equipment
  - Rate Counsel filed testimony on December 17, 2018
  - Procedural schedule has been suspended while settlement discussions continue

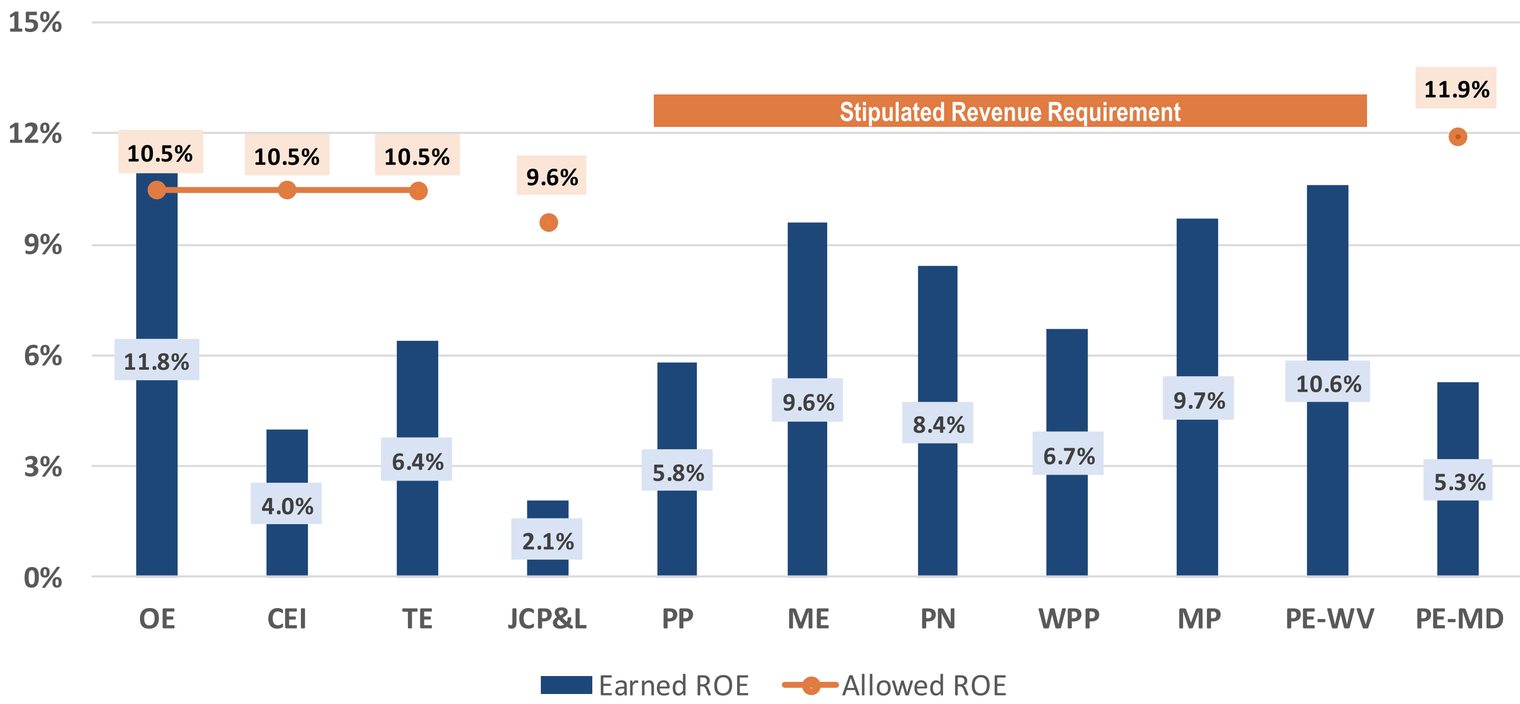
Ohio – **Regulatory Update**

- **Tax Reform / Grid Modernization Settlement**
  - Filed on November 9, 2018; Supplemental Stipulation filed January 25, 2019
  - Resolves issues related to federal income tax reform and previously filed grid modernization cases
    - Signatory Parties include PUCO Staff, Industrial Customer Advocates, Residential Advocates, Low Income Advocates, Generation Suppliers, Hospitals, Cable Companies, and Environmentalists
  - Tax Reform Settlement
    - Return to customers all tax savings from Tax Reform related to excess deferred income taxes and current income taxes from January 1, 2018
  - Grid Modernization Settlement
    - Recover through Rider AMI up to $516M of capital costs invested over three years related to grid modernization investments
    - Recovery includes return of and on investment, associated taxes, incremental O&M (subject to cap)
    - Investments include:
      - 700,000 Advanced Meters and associated AMI technology
      - Distribution Automation on 200 Circuits
      - Integrated Volt Var Control on 202 Circuits
      - Advanced Distribution Management System (“ADMS”)
      - Up to $50M in Platform work (Circuit Ties, Reconductoring, etc.)
    - Benefits include: reliability and operational improvements; reduced energy consumption; enhanced data access; enable future grid modernization investments
  - Hearing occurred February 5 – 6, 2019; Briefs due March 2019

Ohio – **Regulatory Update, cont.**

- **Distribution Modernization Rider (Rider DMR) Extension**
  - Rider DMR was approved for a three-year period ending December 31, 2019, with a potential two-year extension
    - Funds to be used, directly or indirectly, in support of grid modernization
  - A two-year extension application was filed on February 1, 2019
  - Companies requested an extension of Rider DMR for an additional two-year period, at its current annual amount of $132.5M (after-tax)
  - Rider DMR would continue under the same terms and conditions
    - Retention of corporate headquarters and nexus of operations in Akron
    - No change in control of Ohio utilities
    - Demonstration of sufficient progress in implementation and deployment of PUCO-approved grid modernization programs

Distribution ROEs



Most Recent Public Filings:

OH: Significantly Excessive Earnings Test filed with 12/31/17 ROE; FE calculated SEET Threshold of 19.2%

NJ: Base rate case update filed with 6/30/16 ROE

PA: Quarterly Financial Reports for the twelve months ended 9/30/18

WV: Quarterly reports filed with 6/30/18 ROE

MD: Quarterly reports filed with 6/30/18 ROE

Ohio

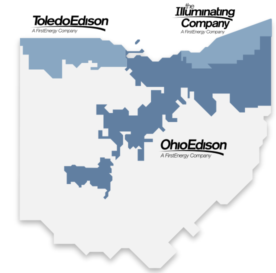
Riders that Recover Incremental Capital Spend Between Rate Cases Include

- Delivery Capital Recovery (DCR)
  - Recovers return on and of incremental investment since last rate case and associated taxes
  - Annual revenue caps
  - Approved through May 31, 2024
- Advanced Metering Infrastructure / Modern Grid (AMI)
  - Recovers costs associated with approved grid modernization investments, including return on and of investment, and associated expenses and taxes
  - Will recover costs associated with Grid Modernization settlement
  - Approved through May 31, 2024
- Government Directives Recovery (GDR)
  - Placeholder for recovery of costs associated with new government mandates
  - Approved through May 31, 2024

SEET Filing Summary

Company	Net Income	Average Equity	ROE
OE	$126M	$1,073M	11.8%
CEI	$58M	$1,436M	4.0%
TE	$34M	$529M	6.4%

Source: SEET filed with Year-End 2017 ROE



Significantly Excessive Earnings Test (SEET)

- PUCO is required to evaluate the earnings of each electric utility's approved ESP to determine whether the plan produces significantly excessive earnings
- Calculated pursuant to Ohio statute
- Modified analysis of FERC Form 1 data; adjustments include:
  - Associated company revenues and expenses
  - Special, non-recurring, extraordinary items
  - Distribution Modernization Rider (DMR) revenue per PUCO Order
- Filing requirement: Annual (May)

Distribution Base Rate Freeze

2009 | 2016 | 2019 | 2024

2009: Approved rates effective ($137M annual revenue increase)

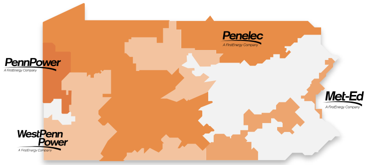
ESP's I-III

October 2016: ESP IV Approved

February 1, 2019: 2-year Rider DMR extension filed

May 31, 2024: Distribution base rate freeze ends; Companies directed to file new case

Pennsylvania



Last Approved Rate Case Statistics[1]			
Company	YE 2017 Rate Base	Filed Debt / Equity	Allowed ROE
PN	$1,614M	47.4% / 52.6%	Settled
ME	$1,386M	48.8% / 51.2%	
PP	$413M	49.9% / 50.1%	
WPP	$1,364M	49.7% / 50.3%	

(1) Reflects filed rate base and debt/equity; final settlements/Orders do not specify rate base or capital structure

Quarterly Earnings Reports Summary			
Company	Rate Base	Debt / Equity	ROE
PN	$1,871M	46.0% / 54.0%	8.44%
ME	$1,706M	45.8% / 54.2%	9.62%
PP	$469M	41.7% / 58.3%	5.80%
WPP	$1,654M	46.9% / 53.1%	6.74%

Source: Quarterly Earnings Report for twelve months ended September 30, 2018

Riders that Recover Incremental Capital Spend Between Rate Cases Include

- Distribution System Improvement Charge (DSIC) Rider
  - Recovers costs of incremental investment for eligible property in accordance with PA PUC approved Long Term Infrastructure Improvement Plan (LTIIP) between rate cases
  - Limited to 5% of Company distribution revenues
  - Set to zero if Company ROE exceeds PA PUC allowed ROE (changes periodically)
- Smart Meter Technologies Charge Riders
  - Act 129 is a state mandated program to install smart meters throughout Pennsylvania
  - All costs required to operate the smart meters not recovered through base rates are recovered in this rider
  - Deployment continues through 2020

Quarterly Earnings Reports

- FERC Form 1 with adjustments/considerations, including:
  - Eliminate impact of Generation and Transmission
  - Eliminate all non-operating expenses
  - Make certain normalizations for regulatory purposes (i.e., pension expense, OPEB expense, interest on customer deposits)
  - Recalculate state and federal taxes based on normalized operating income with adjustments
  - Adjust federal deferred income taxes to include only those associated with property
- Filing Requirement: Quarterly (except during a pending rate case)

2015 → **2017** → **2019**

May 3, 2015: Approved rates effective ($293M annual revenue increase)

January 27, 2017: Approved rates effective ($291M annual revenue increase)

January 27, 2019: Earliest date for base rate case filing

New Jersey

Last Approved Rate Case Statistics			
Company	Rate Base	Allowed Debt / Equity	Allowed ROE
JCP&L	$2,217M	55% / 45%	9.6%

Riders that Recover Incremental Capital Spend Between Rate Cases Include

- Non-Utility Generation (Rider NGC)
  - Among other things, recovers operating expenses, depreciation expense, interest expense and a return on investment for Yards Creek pumped-storage facility
- Infrastructure Investment Program (IIP) – 2018 filing pending
  - Rate filings no more frequently than every 6 months for no less than 10% of overall expenditures and recovered through a separate clause (rider)
  - Eligible projects must be incremental to base capex and related to safety, reliability, and/or resiliency and other projects deemed appropriate by the NJ BPU

Regulatory Earnings Reports

- Current requirement: None
- IIP Required Earnings Test - Required with each rate filing. ROE based on the actual net income of the utility for the most recent 12-month period divided by the average common equity balance for the corresponding period. ROE will be compared to the allowed ROE from a utility's last base rate case.

2015 – **April 1, 2015: Approved rates effective ($34M annual revenue decrease)**

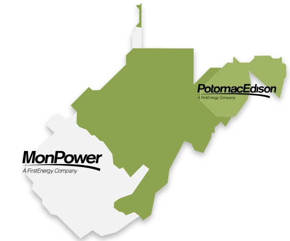
2017 – **January 1, 2017: Approved rates effective ($80M annual revenue increase)**

2018 – **Reliability Plus (IIP) filed on July 13, 2018**

2019 – **Reliability Plus settlement discussions**

Future – **Rate case must be filed no later than 5 years after approval of IIP**

West Virginia



Last Approved Rate Case Statistics[1]			
Company	Rate Base	Allowed Debt / Equity	Allowed ROE
MP	$2,476M	54% / 46%	Settled
PE-WV			

[1] Reflects assumed rate base and debt/equity; final settlements/Orders do not specifically include rate base or capital structure

Quarterly Earnings Report Summary			
Company	Rate Base	Debt / Equity	ROE
MP	$2,419M	49.5% / 50.5%	9.7%
PE-WV	$368M	47.2% / 52.8%	10.6%

Source: Quarterly Report for twelve months ended June 30, 2018

Riders that Recover Incremental Spend Between Rate Cases Include

- Vegetation Management
  - Surcharge recovery of costs for systematic and regular treatment and control of vegetation along T&D lines
  - Recovers all O&M and capital placed in-service as of the surcharge effective date (Feb 25, 2015)
  - O&M recovered in the year incurred; capital recovery consists of a pre-tax rate of return of 8.19% plus depreciation
  - Next filing for surcharge reconciliation and vegetation management program review scheduled for Sep 1, 2019, for surcharge rates effective Jan 1, 2020

Quarterly Earnings Reports

- Vertically integrated state; earnings reports reflect distribution, generation and transmission
- Modified regulatory analysis of FERC Form 1 data with adjustments, including:
  - Pension and OPEB normalization
  - Removes impact of securitized pollution control facilities
  - Eliminate non-jurisdictional costs
- Filing Requirement: Quarterly (except during a pending rate case)

2015	Future
February 25, 2015: Approved rates effective ($63M annual revenue increase: $15M base rate increase + $48M Veg Mgmt)	**No current plans for a future rate case**

Maryland

PotomacEdison
A FirstEnergy Company

Last Approved Rate Case Statistics			
Company	Rate Base G+T+D	Allowed Debt / Equity	Allowed ROE
PE-MD	$581M	48% / 52%	11.9%

Quarterly Earnings Report Summary			
Company	Rate Base D Only	Debt / Equity	ROE
PE-MD	$432M	47% / 53%	5.3%

Source: Quarterly Report for twelve months ended June 30, 2018

Riders that Recover Incremental Spend Between Rate Cases Include

- EmPower Surcharge
  - Surcharge recovery of Company-sponsored energy efficiency and conservation programs
  - Costs consist of O&M but recovered subject to a 5-year amortization
  - Lost distribution revenues are not permitted for recovery through the EmPower Surcharge
  - Surcharge reconciled annually with rates changing each January 1st

Quarterly Earnings Report

- Report reflects distribution operations only
- Modified regulatory analysis of FERC Form 1 data with adjustments, including:
  - Eliminate impact of generation and transmission
  - Pension and OPEB normalization
  - Eliminate non-jurisdictional costs
- Filing Requirement: Quarterly (except during a pending rate case)

1993		2018	2019

1993 — **Feb 25, 1993 Approved rates effective ($15M annual revenue increase)**

2018 — **Rate case filed Aug 24, 2018**

2019 — **Rate case hearings Jan 22-28, 2019**; **Rate case final order Mar 23, 2019**

Financial – **Pension/OPEB Overview**

- **FE announced the move to the MTM method of accounting for Pension and OPEB beginning with year-end 2011 reporting**
  – Preferable method under GAAP
- **MTM method allows for Operating (non-GAAP) results to clearly reflect ongoing operational performance and eliminates volatility associated with amortizing gains and losses over a multi-year period**
  – Recognizes gains and losses in the year they are incurred through an annual year-end MTM adjustment; reflects actual return on assets vs. expected return, changes in discount rates, and changes to actuarial assumptions
  – Impact included in GAAP results; Impact excluded from Operating (non-GAAP) results as a special item

Year-End 2018 Pension/OPEB MTM Adj. Summary

Pension/OPEB MTM Adj. Drivers	After-Tax Impact ($M)
Lower than expected asset returns	($680)
Increase in discount rate	$645
Other changes (Demographic, VERP, Misc.)	($70)
Impact to Net Income / EPS	**($105) / ($0.19)**

$500M Qualified Pension Contribution

- **As a result of a favorable cash position and future pension funding requirements, FE made a voluntary $500M cash contribution on February 1, 2019**
  – Eliminates projected minimum funding requirements through 2021

2019F Net Pension/OPEB Expense

- **FE expects impact of pension/OPEB expense on 2019 operating (non-GAAP) earnings to be relatively flat to 2018**

Financial – **Liquidity**

Available Liquidity
($M)

	FET	FEU	FE Corp.	FE Consolidated
Revolving Credit Facility	**$ 1,000**	**$ 2,500**		**$ 3,500**
Short-Term Borrowings	–	–	–	**–**
Letters of Credit (LOC)	–	–	(10)	**(10)**
Total Utilization	**–**	**$ (10)**		**$ (10)**
Available Credit Capacity	**$ 1,000**	**$ 2,490**		**$ 3,490**
Cash & Cash Equivalents	72	31	53	**156**
Available Liquidity	**$ 1,072**	**$ 2,574**		**$ 3,646**

As of February 18, 2019

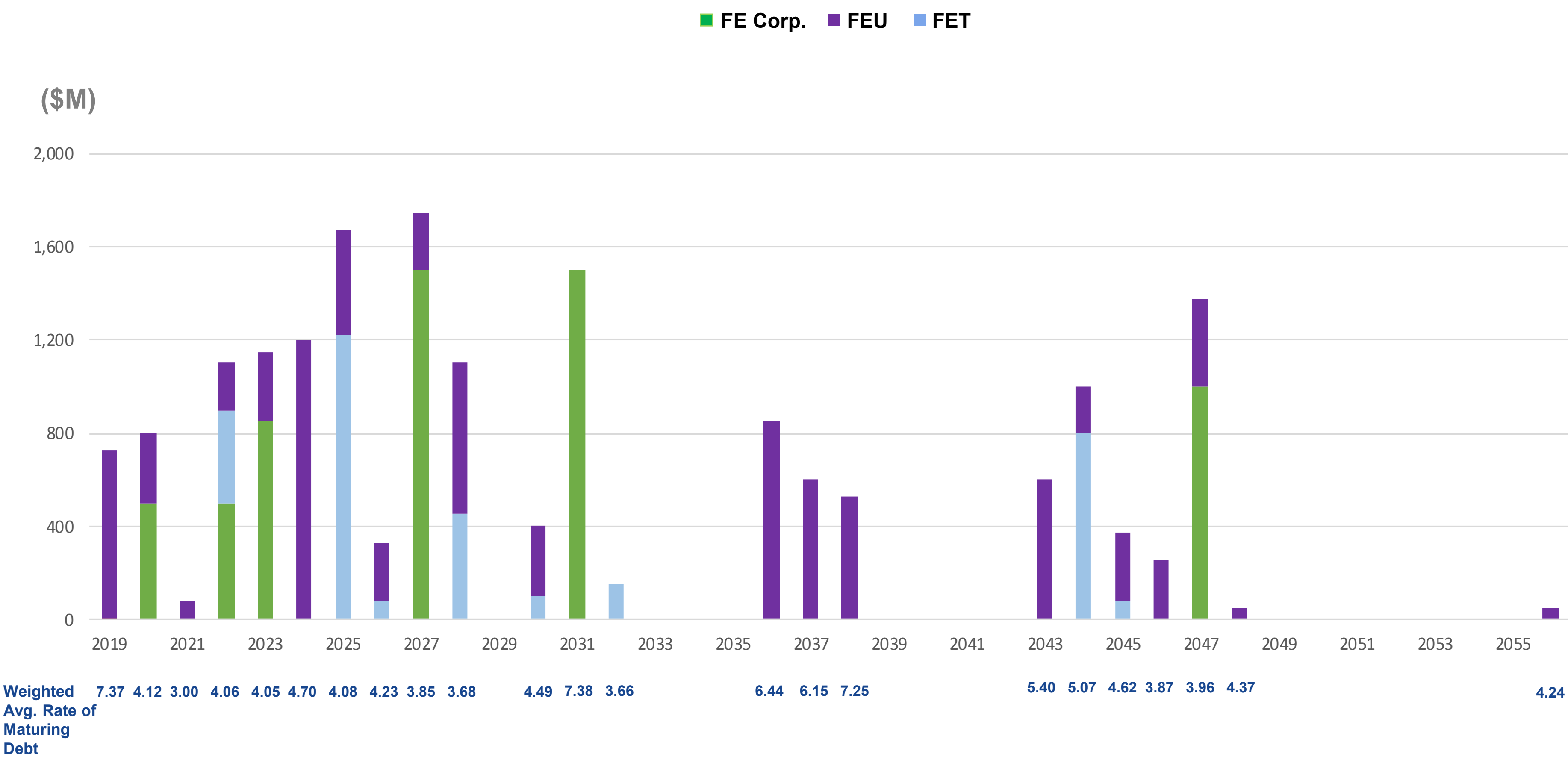
Financial – **Potential Collateral Requirements**

($M)

Contractual Obligations for Additional Credit As of December 31, 2018	AES	Regulated	FE Corp	Total
At Current Credit Rating	$1	–	–	**$1**
Upon Further Downgrade	–	$62	–	**$62**
Surety Bonds[1]	$1	$59	$246	**$306**
Maximum Potential	**$2**	**$121**	**$246**	**$369**

[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 $200M credit support for FG surety bonds, which includes the surety bonds for the benefit of the Pennsylvania Department of Environmental Protection with respect to Little Blue Run ($169M) and to the Hatfield's Ferry Disposal Site ($31M).

Financial – **Consolidated Long-Term Debt Maturities**



Excludes securitization bonds

As of December 31, 2018

Financial – **Outstanding Debt by Legal Entity**

($M)

Hold Co. At 12/31/2018	FE Hold Co.
Short-term Debt	$ 1,250
Long-term Debt	5,850
Debt Subtotal	**7,100**
Discounts	(16)
Unamortized Issuance Costs	(28)
Total Balance Sheet Debt	**$ 7,056**

Utilities At 12/31/2018	Ohio Edison	Cleveland Electric	Toledo Edison	Penn Power	Metropolitan Edison	Pennsylvania Electric	Jersey Central	Mon Power	Potomac Edison	West Penn Power
Short-term Debt	$ -	$ 12	$ 1	$ -	$ 89	$ 50	$ 143	$ 161	$ -	$ 118
Long-term Debt	625	1,250	350	201	850	1,125	1,550	1,324	500	725
Securitization Bonds	128	127	37	-	-	-	41	261	87	-
Debt Subtotal	**753**	**1,389**	**388**	**201**	**939**	**1,175**	**1,734**	**1,745**	**587**	**843**
Discounts	(7)	(3)	-	-	(1)	(1)	(5)	(1)	-	-
Unamortized Issuance Costs	(2)	(8)	(2)	(2)	(2)	(5)	(5)	(13)	(4)	(4)
Purchase Accounting	-	-	-	-	-	-	-	8	3	-
Capital Leases	11	17	5	2	8	13	8	2	1	3
Total Balance Sheet Debt	**$ 755**	**$ 1,396**	**$ 391**	**$ 202**	**$ 945**	**$ 1,181**	**$ 1,732**	**$ 1,740**	**$ 587**	**$ 842**

Transmission At 12/31/2018	FET Hold Co.	ATSI	TrAIL	MAIT	AET PATH
Short-term Debt	$ 11	$ -	$ 11	$ -	$ 2
Long-term Debt	1,000	1,200	625	450	-
Debt Subtotal	**1,011**	**1,200**	**636**	**450**	**2**
Discounts	(2)	(3)	-	-	-
Unamortized Issuance Costs	(6)	(7)	(3)	(4)	-
Total Balance Sheet Debt	**$ 1,003**	**$ 1,190**	**$ 633**	**$ 446**	**$ 2**

Note: Short-term debt includes affiliated company borrowings

Totals may not foot due to rounding

Financial – **Credit Ratings**

As of 2/19/2019	Corporate Credit Rating (S&P) / Issuer Rating (Moody's) / 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-	-	-	-	BBB-	Baa3	BBB-	stable	stable	positive
Allegheny Generating Co.	BBB-	Baa2	BBB-	-	-	-	-	-	-	stable	stable	positive
American Transmission Systems Inc.	BBB	Baa1	BBB	-	-	-	BBB	Baa1	BBB+	stable	stable	positive
Cleveland Electric Illuminating	BBB	Baa3	BBB	A-	Baa1	A-	BBB	Baa3	BBB+	stable	positive	positive
FirstEnergy Transmission	BBB	Baa2	BBB-	-	-	-	BBB-	Baa2	BBB-	stable	stable	positive
Jersey Central Power & Light	BBB	Baa2	BBB-	-	-	-	BBB	Baa2	BBB	stable	positive	positive
Metropolitan Edison	BBB	A3	BBB	-	-	-	BBB	A3	BBB+	stable	stable	positive
Mid-Atlantic Interstate Transmission	BBB	Baa1	BBB	-	-	-	BBB	Baa1	BBB+	stable	stable	positive
Monongahela Power	BBB	Baa2	BBB-	A-	A3	BBB+	BBB	Baa2	-	stable	stable	positive
Ohio Edison Co.	BBB	Baa1	BBB	A-	A2	A-	BBB	Baa1	BBB+	stable	positive	positive
Pennsylvania Electric Co.	BBB	Baa1	BBB	-	-	-	BBB	Baa1	BBB+	stable	stable	positive
Pennsylvania Power Co.	BBB	Baa1	BBB	-	A2	A-	-	-	-	stable	stable	positive
Potomac Edison Co.	BBB	Baa2	BBB-	-	-	BBB+	-	-	-	stable	stable	positive
Toledo Edison Co.	BBB	Baa3	BBB	A-	Baa1	A-	-	-	-	stable	positive	positive
Trans-Allegheny Interstate Line Co.	BBB	A3	BBB	-	-	-	BBB	A3	BBB+	stable	stable	positive
West Penn Power Co.	BBB	A3	BBB	-	-	A-	-	-	-	stable	stable	positive

Financial – **Credit Providers**

24 financial institutions provide ~$5.4B aggregate credit commitment

($M)	
Revolving Credit Facilities	$3,500
Term Loans	$1,750
SUB-TOTAL	$5,250
Vehicle Leases	189
TOTAL	$5,439

As of December 31, 2018

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

Commonly Used Terms & Acronyms

ABO	Accumulated Benefit Obligation
ADIT	Accumulated Deferred Income Taxes
AFUDC	Allowance for Funds Used During Construction
AMI	Advanced Metering Infrastructure
BOD	Board of Directors
CAGR	Compound Annual Growth Rate
CFO	Cash From Operations
CFO pre-WC	Cash From Operations pre Working Capital
CO_2	Cardon Dioxide
DCR	Delivery Capital Recovery
DMR	Distribution Modernization Rider
DOE	Department of Energy
DR	Demand Response
DRIP	Dividend Reinvestment Plan
DSIC	Distribution System Improvement Charge
EDC	Electric Distribution Company
EE	Energy Efficiency
EMAAC	EMAAC Locational Deliverability Area in PJM
EmT	Emerging Technologies
ENEC	Expanded Net Energy Costs
EPS	Earnings per Share
ESG	Environmental, Social, and Governance
ESP	Electric Security Plan
ETF	Energizing the Future
ETR	Effective Tax Rate
FCF	Free Cash Flow
FERC	Federal Energy Regulatory Commission
FEU	FirstEnergy Utilities
FFO	Funds From Operations
IIP	Infrastructure Investment Program
kWh	Kilowatt-hour
LTIIP	Long-Term Infrastructure Improvement Plans
MAAC	MAAC Locational Deliverability Area in PJM
MD PSC	Maryland Public Service Commission
MTM	Mark-to-Market
MW	Megawatt
MWH	Megawatt-hour
NJ BPU	New Jersey Board of Public Utilities
OCI	Other Comprehensive Income
OPEB	Other Post-Employment Benefits
OVEC	Ohio Valley Electric Corporation
PA PUC	Pennsylvania Public Utility Commission
PBO	Projected Benefit Obligation
PCRB	Pollution Control Revenue Bond
PJM	PJM Interconnection, LLC
PPA	Purchase Power Agreement
PUCO	Public Utilities Commission of Ohio
RD	Regulated Distribution
ROA	Return on Assets
ROE	Return on Equity
RT	Regulated Transmission
RTEP	Regional Transmission Expansion Plan
RTO	Regional Transmission Organization
S&P	Standard & Poor's
SEET	Significantly Excessive Earnings Test
SIP	Stock Investment Plan
SMIP	Smart Meter Technology Procurement and Installation Plan
SSO	Standard Service Offer
TCJA	Tax Cuts and Jobs Act
VERP	Voluntary Enhanced Retirement Program
WC	Working Capital
WV PSC	West Virginia Public Service Commission

FirstEnergy Companies

AE Supply	Allegheny Energy Supply Company, LLC
AGC	Allegheny Generating Company
ATSI	American Transmission Systems, Incorporated
CEI	The Cleveland Electric Illuminating Company
FET	FirstEnergy Transmission, LLC
JCP&L	Jersey Central Power & Light Company
MAIT	Mid-Atlantic Interstate Transmission, LLC
ME	Metropolitan Edison Company
MP	Monongahela Power Company
OE	Ohio Edison Company
PATH	Potomac-Appalachian Transmission Highline, LLC
PE	The Potomac Edison Company
PN	Pennsylvania Electric Company
PP	Pennsylvania Power Company
TE	The Toledo Edison Company
TrAIL	Trans-Allegheny Interstate Line Company
WPP	West Penn Power Company