

FirstEnergy's

Current Regulatory Status

in Ohio

Transition Case Timeline

- Summer 1999 - Am. Sub. S.B. 3 becomes law
- October 4, 1999 - FirstEnergy files transition plan application in Case 99-1212-EL-ETP
- April 17, 2000 - Stipulation on behalf of OE, CEI and TE filed
- May 9, 2000 - Supplemental Stipulation on behalf of OE, CEI and TE filed
- May/June 2000 - Public hearings held
- May 15, 2000 - Stipulation on behalf of Staff and others filed
- July 19, 2000 - Opinion & Order approving the 4/17 and 5/9 Stipulations
- January 1, 2001 - Unbundled rates begin
- Shopping of generation took place (current status in Ohio and FirstEnergy)

Rate Stabilization Plan (RSP)

September 23, 2003 - In Case No. 03-1461-EL-UNC the Commission expressly encourages FirstEnergy to consider and develop a Rate Stabilization Plan that balanced three objectives:

- Rate Certainty
- Financial Stability of FirstEnergy
- Further Development of Competitive Markets

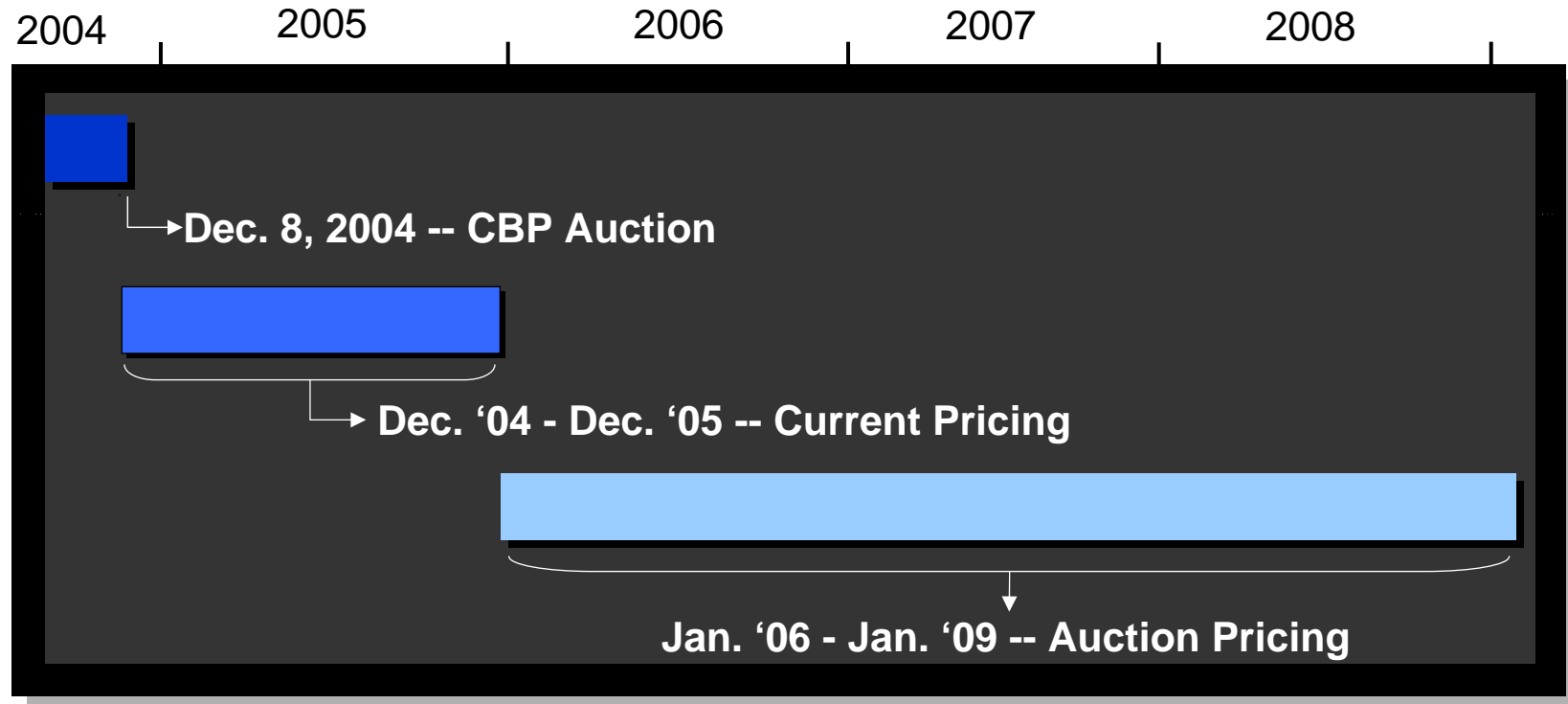
Rate Stabilization Timeline

- October 21, 2003 - Rate Stabilization Plan filed on behalf of OE, CEI and TE
- February 11, 2004 - Stipulation on behalf of OE, CEI and TE filed
- February 2004 - Public hearings held
- June 9, 2004 - Opinion & Order ordering FirstEnergy to undertake a Competitive Bid Process (CBP) and that the Rate Stabilization Plan is approved
- September 1, 2004 - FirstEnergy files Competitive Bid Process in Case No. 04-1371-EL-ATA
- October 19, 2004 - The trial auction is 12/3/04; actual auction is 12/8/04

RSP vs. CBP

- FirstEnergy Companies (OH)
 - Filed Rate Stabilization Plan (RSP)
 - Established a Competitive Bidding Process (CBP) by order of the Public Utilities Commission of Ohio (PUCO)
- RSP will go into effect unless the PUCO approves the CBP results
- The PUCO will evaluate the results of the CBP auction in comparison to the RSP and will decide, within two business days of the auction close, whether to accept the CBP results.

CBP Timeline



- **CBP Auction will be held December 8, 2004**
- **Current Tariff Pricing will remain in effect through December 31, 2005**
- **Auction Pricing runs from Jan. 1, 2006 to Dec. 31, 2008**
 - Ramp-up period -- January 2006
 - Ramp-down period -- January 2009



Questions / Discussion

