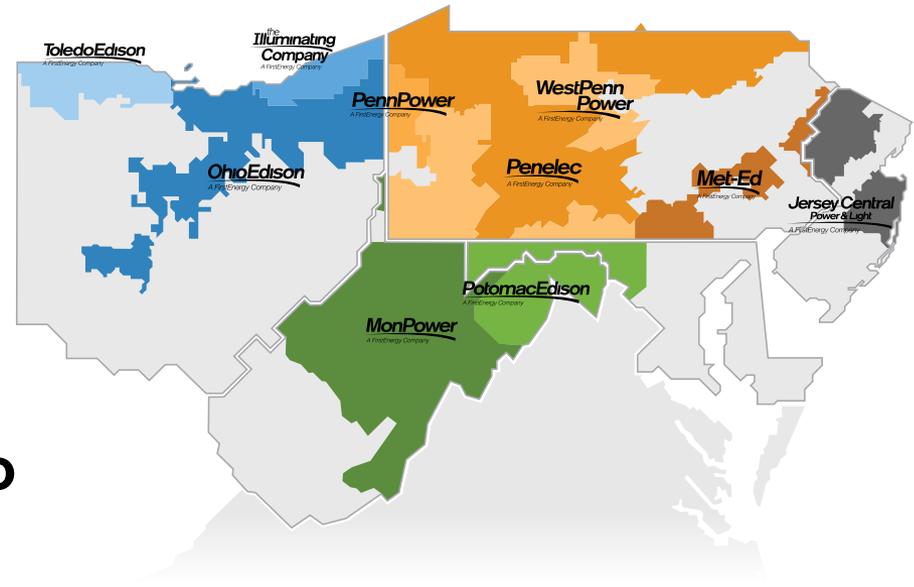


2017 Governor's Energy Summit

Holly Kauffman
President, West Virginia Operations



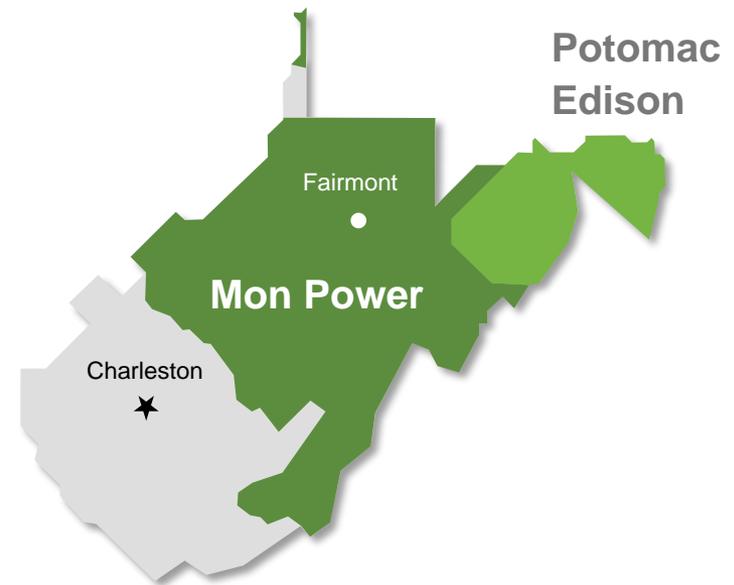
About FirstEnergy



- Headquartered in Akron, Ohio
- 6 million customers served
- 10 electric utility operating companies in 6 states
- Approximately 25,000 miles of transmission lines and 273,000 miles of distribution lines
- FirstEnergy and its subsidiaries offer innovative solutions for home and business that are designed to meet the demands of today

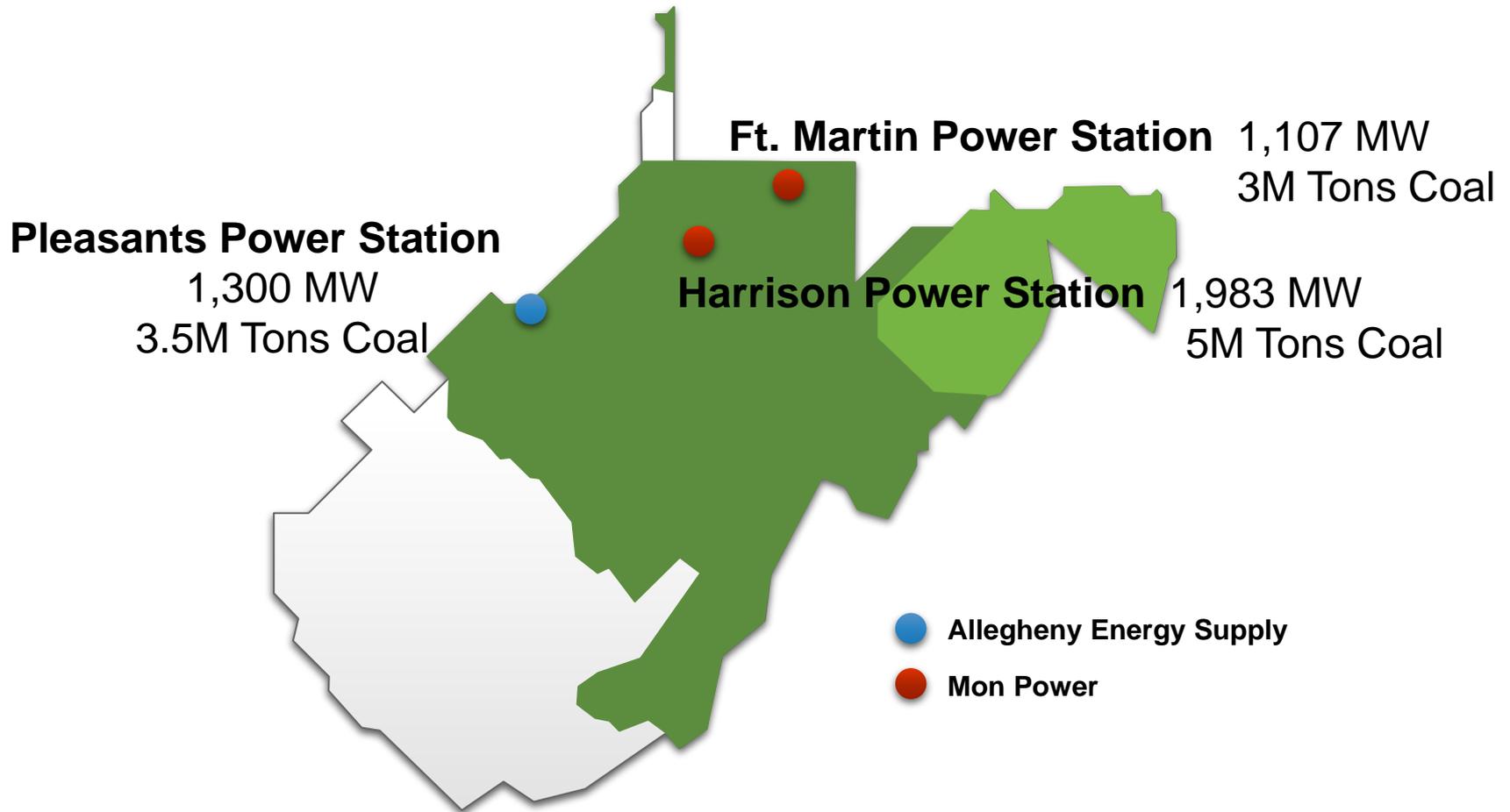
FirstEnergy in West Virginia

- **Approximately 530,000 customers**
- **1,930 employees**
- **Nearly 1,600 shareholders in state**
- **13,000-square-mile service area**
- **9,500 miles of transmission and distribution lines**
- **318 substations and 37 buildings**
- **\$42 million in annual purchases in local goods and services in 2016 (excludes fuel and purchased power)**
- **More than \$86 million in state and local taxes paid in 2016, including income and property taxes**
- **Invested \$183 million on projects designed to enhance reliability and meet increased demand in 2016**



FirstEnergy West Virginia Generation Stations

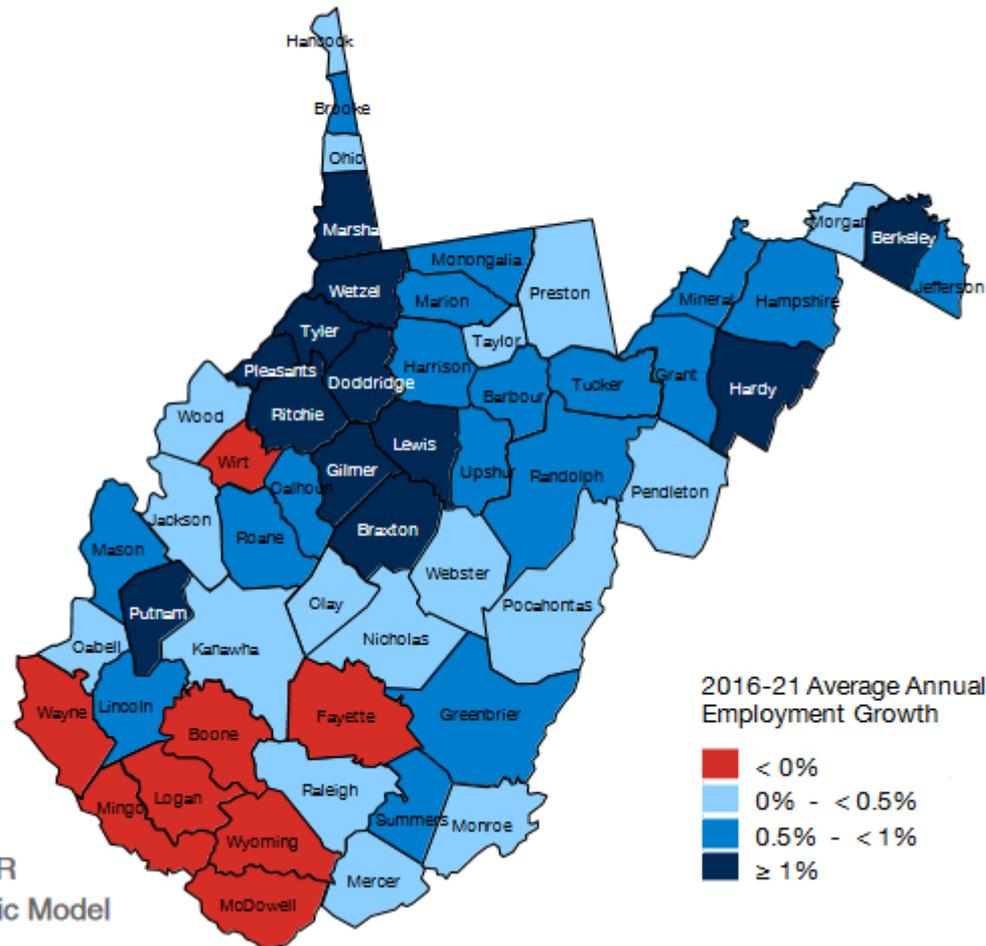
4,390 MW of Supercritical Coal Generation



WV University: Economic Outlook Model

Output 2017 Forecast

Forecast Annual Employment Growth, 2016-2021

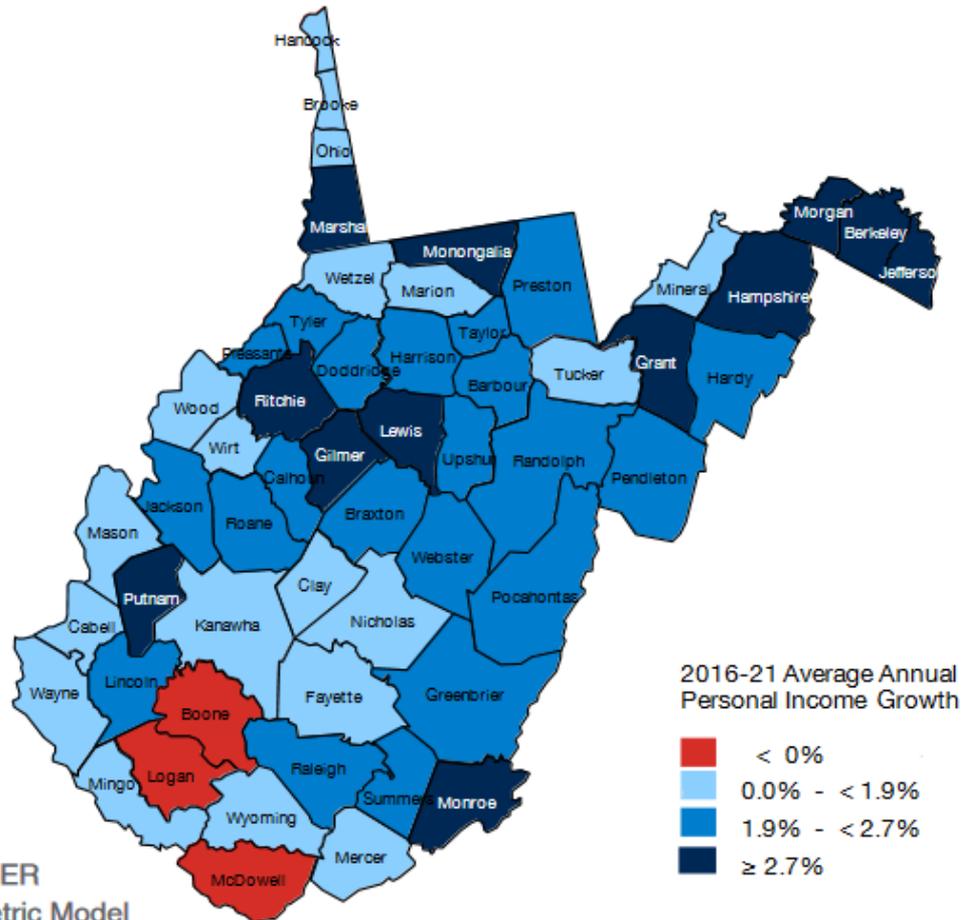


Source: WVU BBER
County Econometric Model

WV University: Economic Outlook Model

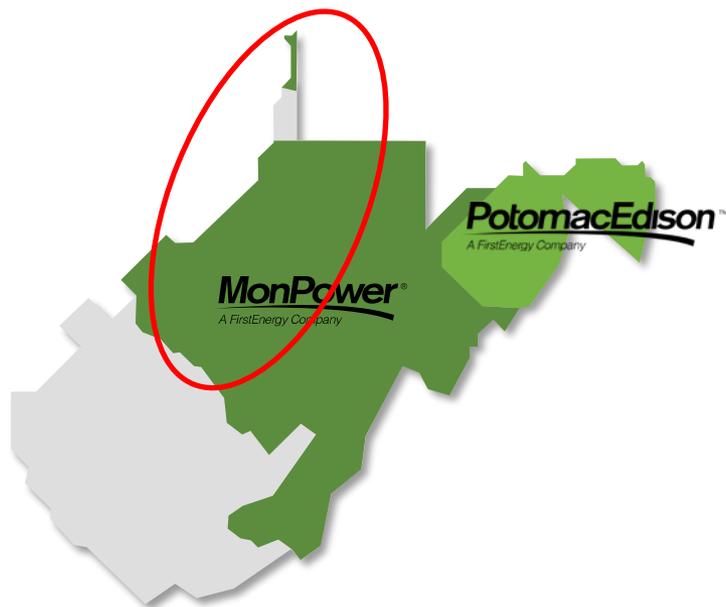
Output 2017 Forecast

Forecast Real Personal Income Growth, 2016-2021



Source: WVU BBER
County Econometric Model

Shale Gas Growth



■ Heart of shale industry growth in WV

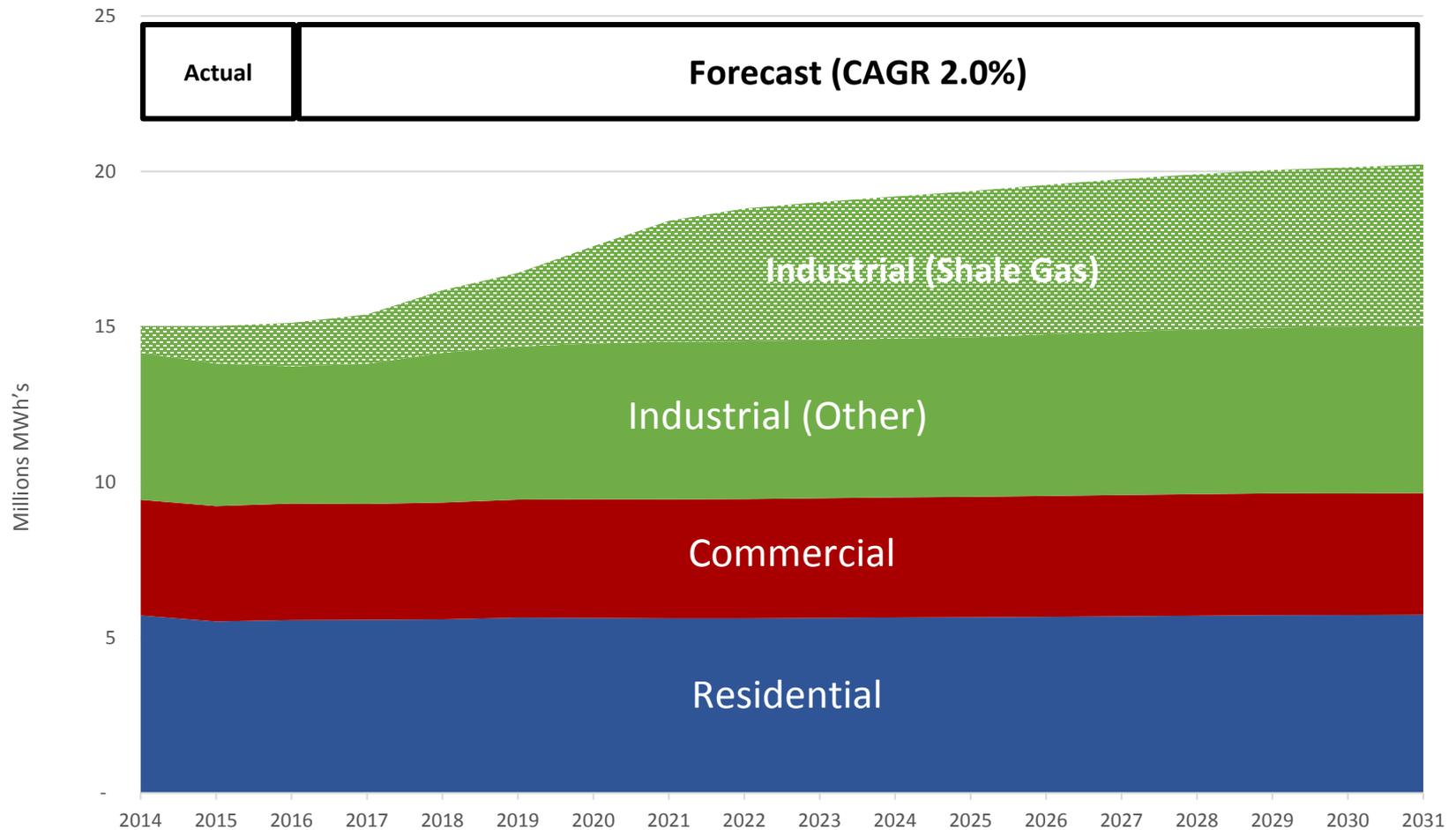
- Mon Power's territory
- Counties: Brooke, Doddridge, Gilmer, Hancock, Harrison, Marion, Monongalia, Ritchie, Tyler, Wetzels and Wood

■ Shale Gas Industry's midstream sector

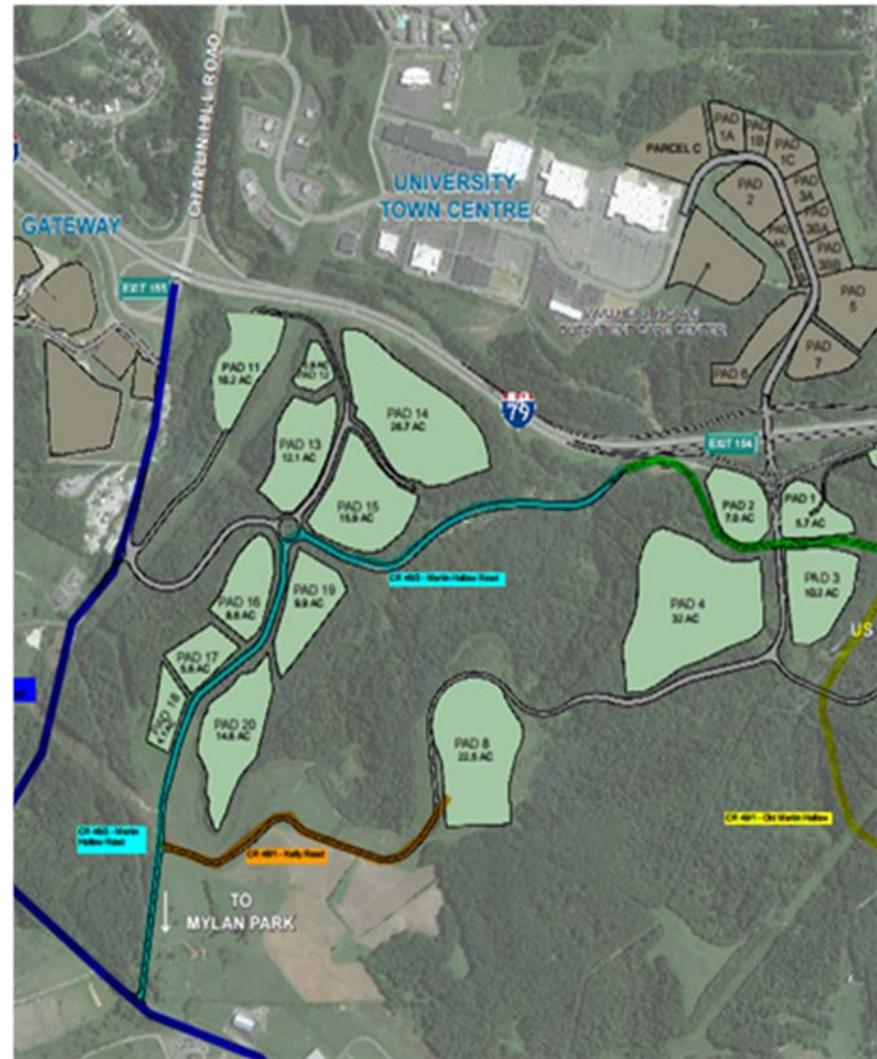
- Gathering facilities, compressor stations and processing plants
- Energy intensive (Growth since 2012)
 - 2016: 1,100,000 MWh; 19% of Industrial sales
 - December 2016: 140 MW; 5% of Peak

Energy Requirements (MWh)

Compound Annual Growth Rate (CAGR)



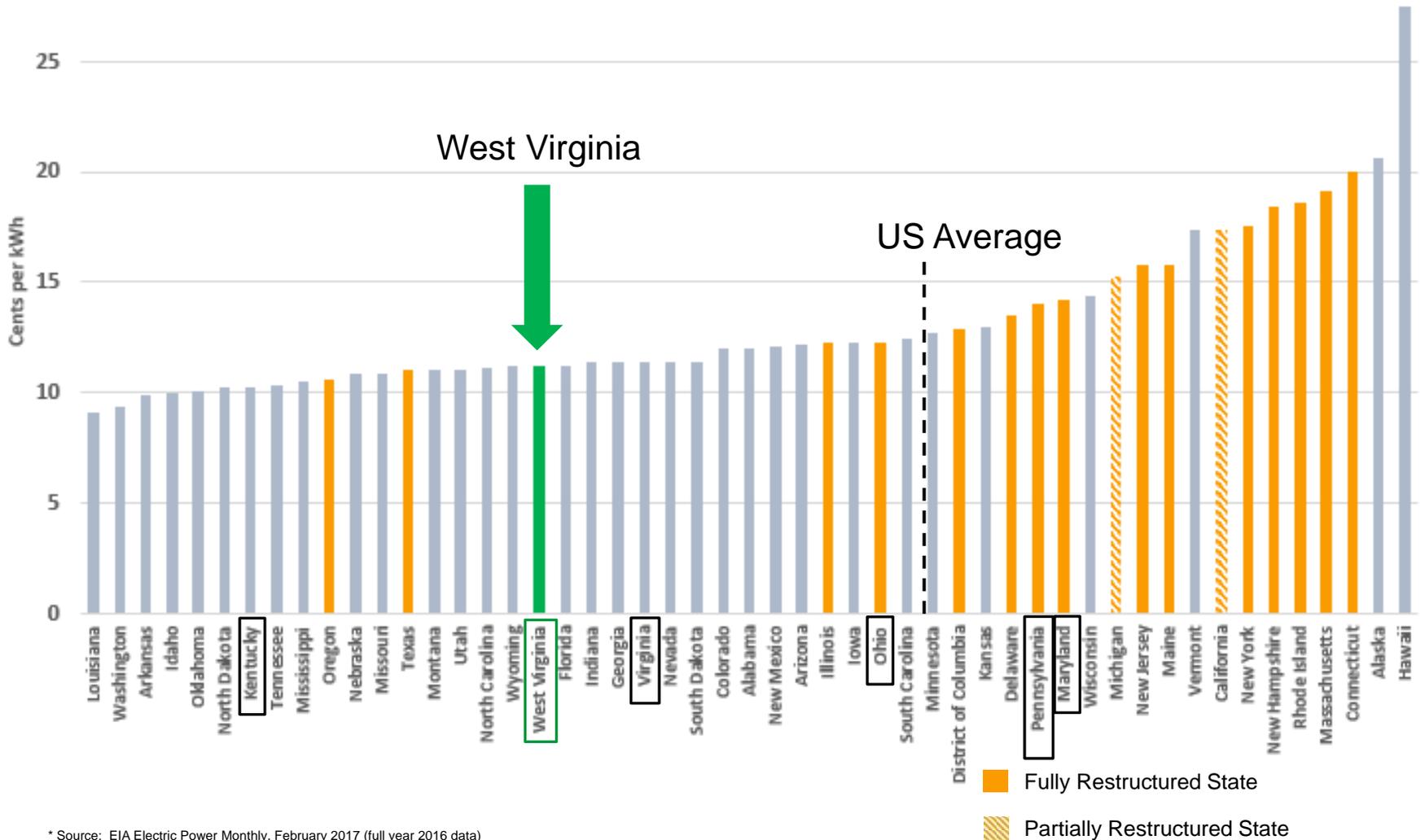
Morgantown Continues to Grow



Eastern Panhandle – Proctor & Gamble

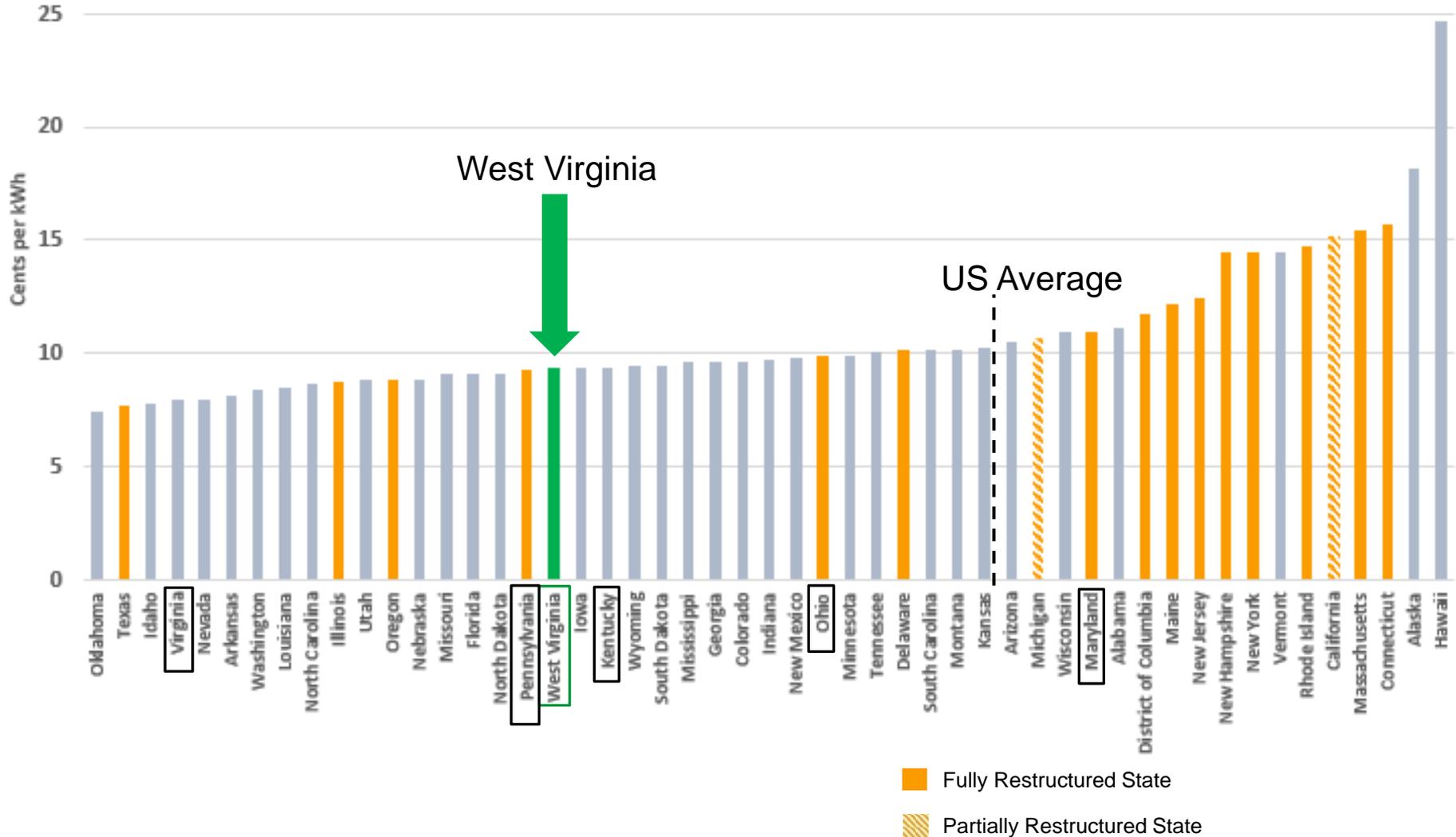


West Virginia residential rates are lower than the U.S. average



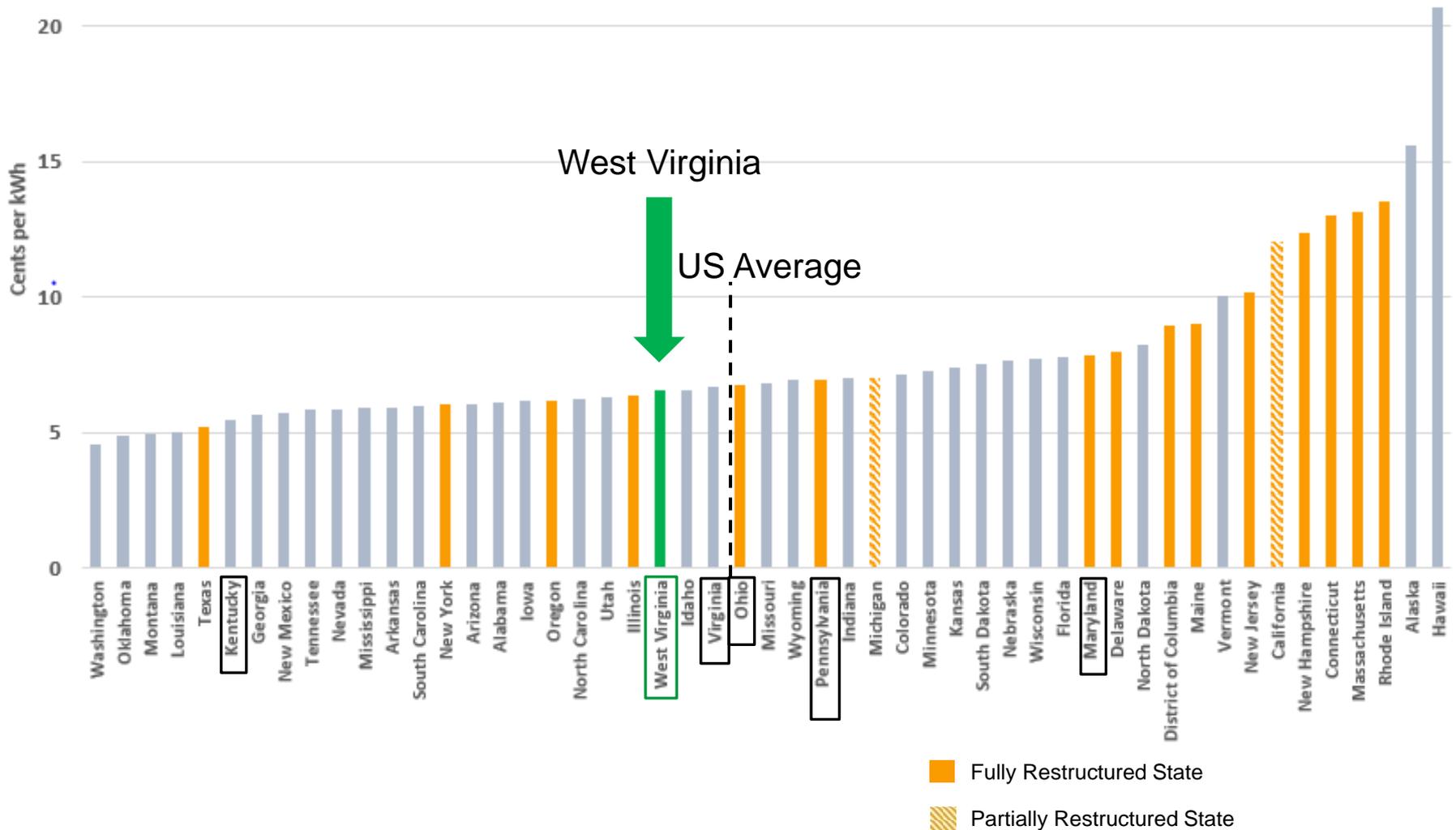
* Source: EIA Electric Power Monthly, February 2017 (full year 2016 data)

West Virginia **commercial rates** are lower than the U.S. average



* Source: EIA Electric Power Monthly, February 2017 (full year 2016 data)

West Virginia **industrial rates** are below the U.S. Average and many surrounding states



* Source: EIA Electric Power Monthly, February 2017 (full year 2016 data)

MP & PE-WV Proposed Rate Reductions

Pending Rate Reductions

	Pleasants Generation Transaction*	Vegetation Management*	Energy Efficiency*	Total Decrease*
Residential Customers	-0.9%	-1.3%	-0.5%	-2.6%
Large Industrial Customers	-2.9%	-0.5%	-0.2%	-3.6%
All Customers	-1.6%	-1.0%	-0.4%	-3.0%
\$ Impact (Millions)	-\$24.0	-\$15.0	-\$5.4	-\$44.4

* As filed with the Public Service Commission of West Virginia.

Questions & Answers

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," "will," "intend," "believe," "estimate" and similar words. Forward-looking statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, which may include the following: the speed and nature of increased competition in the electric utility industry, in general, and the retail sales market in particular; the ability to experience growth in the Regulated Distribution and Regulated Transmission segments and to successfully implement our revised sales strategy in the Competitive Energy Services segment; the accomplishment of our regulatory and operational goals in connection with our transmission plan and planned distribution rate cases and the effectiveness of our repositioning strategy; the impact of the regulatory process on the pending matters before the Federal Energy Regulatory Commission and in the various states in which we do business including, but not limited to, matters related to rates and pending rate cases and the Electric Security Plan IV; the uncertainties of various cost recovery and cost allocation issues resulting from American Transmission Systems, Incorporated's realignment into PJM Interconnection, L.L.C.; economic or weather conditions affecting future sales and margins such as the polar vortex or other significant weather events, and all associated regulatory events or actions; regulatory outcomes associated with storm restoration, including but not limited to, Hurricane Sandy, Hurricane Irene and the October snowstorm of 2011; changing energy, capacity and commodity market prices including, but not limited to, coal, natural gas and oil, and their availability and impact on margins; the continued ability of our regulated utilities to recover their costs; costs being higher than anticipated and the success of our policies to control costs and to mitigate low energy, capacity and market prices; other legislative and regulatory changes, and revised environmental requirements, including, but not limited to, possible greenhouse gas emission, water discharge, and coal combustion residual regulations, the potential impacts of Cross State Air Pollution Rule, and the effects of the United States Environmental Protection Agency's Mercury and Air Toxics Standards rules including our estimated costs of compliance; 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 expenditures could result in our decision to deactivate or idle certain generating units); the uncertainties associated with the deactivation of certain older regulated and competitive fossil units including the impact on vendor commitments, and the timing thereof as they relate to, among other things, Reliability Must Run arrangements and the reliability of the transmission grid; 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; the impact of future changes to the operational status or availability of our generating units; the risks and uncertainties associated with litigation, arbitration, mediation and like proceedings, including, but not limited to, any such proceedings related to vendor commitments; replacement power costs being higher than anticipated or not fully hedged; the ability to comply with applicable state and federal reliability standards and energy efficiency and peak demand reduction mandates; 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; the ability to accomplish or realize anticipated benefits from strategic and financial goals including, but not limited to, the ability to reduce costs and to successfully complete our announced financial plans designed to improve our credit metrics and strengthen our balance sheet, including but not limited to, our announced dividend reduction and our proposed capital raising initiatives; 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; 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 our subsidiaries to make additional contributions sooner, or in amounts that are larger than currently anticipated; the impact of changes to material accounting policies; the ability to access the public securities and other capital and credit markets in accordance with our announced financial plans, the cost of such capital and overall condition of the capital and credit markets affecting us and our subsidiaries; actions that may be taken by credit rating agencies that could negatively affect us and our subsidiaries' access to financing, increase the costs thereof, and increase requirements to post additional collateral to support outstanding commodity positions, letters of credit and other financial guarantees; changes in national and regional economic conditions affecting us, our subsidiaries and our major industrial and commercial customers, and other counterparties including fuel suppliers, with which we do business; the impact of any changes in tax laws or regulations or adverse tax audit results or rulings; issues concerning the stability of domestic and foreign financial institutions and counterparties with which we do business; the risks and other factors discussed from time to time in our United States Securities and Exchange Commission filings, and other similar factors. The foregoing review of factors should not be construed as exhaustive. New factors emerge from time to time, and it is not possible for management to predict all such factors, nor assess the impact of any such factor on FirstEnergy's 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. FirstEnergy expressly disclaims 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.