

SECURITIES AND EXCHANGE COMMISSION

(Release No. 35-28021)

Filings Under the Public Utility Holding Company Act of 1935, as amended ("Act")

August 30, 2005

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by **September 26, 2005**, to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, D.C. 20549-9303, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After **September 26, 2005**, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

FirstEnergy Corp., et al. (70-10307)

FirstEnergy Corp., (“FirstEnergy”), a registered holding company; its public utility subsidiaries: Ohio Edison Company, an Ohio corporation (“Ohio Edison”); The Cleveland Electric Illuminating Company, an Ohio corporation (“Cleveland Electric”); The Toledo Edison Company, an Ohio corporation (“Toledo Edison”); and Pennsylvania Power Company, a Pennsylvania corporation and wholly owned subsidiary of Ohio Edison, (“Penn Power”), collectively, “Utility Subsidiaries;” all of 76 South Main Street, Akron, Ohio 44308, have filed an application-declaration, as amended (“Application”) under sections 9(a), 10 and 12(b) of the Act and rule 45 under the Act. FirstEnergy and the Utility Subsidiaries are referred to as “Applicants.” FirstEnergy directly owns all of the outstanding common stock of Ohio Edison, Cleveland Electric, Toledo Edison, and indirectly through Ohio Edison owns all of the outstanding common stock of Penn Power”.¹

Ohio Edison was organized under the laws of the State of Ohio in 1930 and owns property and does business as an electric public utility in that state. Ohio Edison also has ownership interests in certain generating facilities located in the Commonwealth of Pennsylvania. Ohio Edison engages in the generation, distribution and sale of electric energy to communities in a 7,500 square mile area of central and northeastern Ohio having a population of approximately 2.8 million.

¹FirstEnergy’s other public utility subsidiaries are Jersey Central Power & Light Company, Pennsylvania Electric Company, Metropolitan Edison Company, York Haven Power Company, The Waverly Electric Power & Light Company and American Transmission Systems, Incorporated. These companies are not applicants in this proceeding.

Ohio Edison owns all of Penn Power's outstanding common stock. Penn Power was organized under the laws of the Commonwealth of Pennsylvania in 1930 and owns property and does business as an electric public utility in that state. Penn Power is also authorized to do business and owns property in the State of Ohio. Penn Power furnishes electric service to communities in a 1,500 square mile area of western Pennsylvania having a population of approximately 300,000.

Cleveland Electric was organized under the laws of the State of Ohio in 1892 and does business as an electric public utility in that state. Cleveland Electric engages in the generation, distribution and sale of electric energy in an area of approximately 1,700 square miles in northeastern Ohio having a population of approximately 1.9 million. It also has ownership interests in certain generating facilities located in Pennsylvania.

Toledo Edison was organized under the laws of the State of Ohio in 1901 and does business as an electric public utility in that state. Toledo Edison engages in the generation, distribution and sale of electric energy in an area of approximately 2,500 square miles in northwestern Ohio having a population of approximately 800,000. It also has interests in certain generating facilities located in Pennsylvania.

Requested Authorization

Applicants request authorization for certain transactions that are related to the sale of their respective interests in certain fossil-fuel and hydroelectric generating facilities owned by the Utility Subsidiaries to FirstEnergy Generation Corp. ("FE GenCo"), which is a direct wholly-owned subsidiary of FirstEnergy Solutions Corp. ("FE Solutions") and an indirect subsidiary of FirstEnergy. FE GenCo is an "exempt wholesale generator" ("EWG") under Section 32 of the Act. These asset transfers are in furtherance of FirstEnergy's Ohio and Pennsylvania corporate

separation plans, which were described in FirstEnergy’s Application/Declaration for authorization to merge with GPU, Inc. (“GPU”). See HCAR No. 27459 (October 29, 2001). Specifically, the Utility Subsidiaries request authority to acquire the secured promissory notes from FE GenCo, as described below.

The Utility Subsidiaries own, individually or together as tenants in common, interests in the following fossil-fuel and hydroelectric generating plants:²

Plant	Location	MW	Ownership %
Ashtabula 5	Ashtabula, OH	244	Cleveland Electric 100%
Bay Shore 1-4 Bay Shore Peaking	Toledo, OH	631 17	Toledo Edison 100%
R.E. Burger 3-5	Shadyside, OH	406	Ohio Edison 100%
R.E. Burger Peaking	Shadyside, OH	7	Ohio Edison 85.6% Penn Power 14.4%
Eastlake 1-5 Eastlake Peaking	Eastlake, OH	1,233 29	Cleveland Electric 100%
Lakeshore 18 Lakeshore Peaking	Cleveland, OH	245 4	Cleveland Electric 100%
Bruce Mansfield 1	Shippingport, PA	780	Ohio Edison 60% Penn Power 33.5%
Bruce Mansfield 2	Shippingport, PA	780	Ohio Edison 43.06% Penn Power 9.36% Cleveland Electric 1.68%
Bruce Mansfield 3	Shippingport, PA	800	Ohio Edison 49.34% Penn Power 6.28%
W.H. Sammis 1-6	Stratton, OH	1,620	Ohio Edison 100%
W.H. Sammis 7	Stratton, OH	600	Ohio Edison 48% Penn Power 20.8% Cleveland Electric 31.2%
W.H. Sammis Peaking	Stratton, OH	13	Ohio Edison 85.6% Penn Power 14.4%
Edgewater Peaking	Lorain, OH	48	Ohio Edison 86% Penn Power 14.0%
Richland Peaking 1-3	Defiance, OH	42	Toledo Edison 100%
Seneca	Warren, PA	435	Cleveland Electric 100%

² The Utility Subsidiaries do not propose to transfer their remaining percentage ownership interests in certain fossil-fuel units that are not now being leased by FE GenCo.

West Lorain Peaking Unit 1	Lorain, OH	120	Ohio Edison 100%
Mad River Peaking	Springfield, OH	60	Ohio Edison 85.6% Penn Power 14.4%
Stryker Peaking	Springfield, OH	18	Toledo Edison 100%

Currently, the Utility Subsidiaries lease all of the fossil and hydroelectric generating plants listed in the table above to FE GenCo, which, as indicated, has previously been certified by the Federal Energy Regulatory Commission (“FERC”) as an EWG.³ FE GenCo leases and operates these plants pursuant to the terms of a Master Facility Lease (“Master Lease”), dated as of January 1, 2001 (incorporated by reference as Exhibit B-1 to the Application). Applicants state that the Master Lease, which became effective on January 1, 2001, and has a term of twenty years, was intended as the first step in the eventual transfer of ownership of the leased plants to FE GenCo. Pursuant to Section 12 of the Master Lease, FE GenCo has an option to purchase the leased generating plants for the purchase price per unit listed in Exhibits A through D to the Master Lease. Section 12 of the Master Lease further provides that, upon exercise of the purchase option, FE GenCo may pay the purchase price either in cash or by executing a promissory note, secured by a lien on the transferred assets.

Each of the Utility Subsidiaries and FE GenCo has entered into a Fossil Purchase and Sale Agreement (“Fossil PSA”), filed with this Application as Exhibits B-2 through B-5. Under the Fossil PSAs, FE GenCo has agreed to purchase each Utility Subsidiary’s fossil units (and, in the case of Cleveland Electric, one hydroelectric generating facility), and to assume certain liabilities relating to the purchased units, for an amount equal to the aggregate purchase price for

³ FE GenCo was approved by the FERC as an EWG on April 6, 2001. FirstEnergy Generation Corp., 95 FERC ¶ 62,018 (2001).

all units owned by the selling Utility Subsidiary, as set forth in Exhibits A through D of the Master Lease, as follows: Ohio Edison - \$980 million; Penn Power - \$125 million; Cleveland Electric - \$408 million; and Toledo Edison - \$88 million. As consideration for the purchased units, FE GenCo would deliver to the selling Utility Subsidiary its secured promissory note (“FE GenCo Note”), filed with the Application as Exhibits B-10 through B-13. Each FE GenCo Note would be secured by a lien on the units purchased, bear interest at a rate per annum based on the average weighted cost of long-term debt of the Utility Subsidiary to which the FE GenCo Note is issued, and mature twenty years after the date of issuance. FE GenCo may prepay the FE GenCo Note at any time, in whole or in part, without penalty.

The calculation of the average weighted cost of long-term debt of each of the Utility Subsidiaries as of March 31, 2005 is shown in Exhibit I to the Application. The actual interest rate on the FE GenCo Notes would be calculated in the same manner as of the end of the quarter next preceding the closing date.

Under each Fossil PSA, FE GenCo has also agreed that, upon request of the selling Utility Subsidiary, it would assume the selling Utility Subsidiary’s liabilities and obligations with respect to certain outstanding pollution control revenue bonds (“PCRBs”) that were issued to finance pollution control equipment related to the purchased plants.⁴ If PCRB obligations are

⁴ Currently, the Utility Subsidiaries have outstanding obligations in respect of PCRBs in approximately the following principal amounts: Ohio Edison - \$471 million; Penn Power - \$63 million; Cleveland Electric - \$362 million; and Toledo Edison - \$69 million.

assumed by FE GenCo at or prior to closing, then the principal amount of the assumed obligations would reduce the principal amount of the applicable FE GenCo Note delivered by FE GenCo at closing. If FE GenCo assumes PCRB obligations after closing, the principal amount assumed would represent a payment of principal on the applicable FE GenCo Note delivered at closing.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz
Secretary