

FirstEnergy®

Focused on Our Future

FactBook

Published November 8, 2021

Table of Contents

1	FirstEnergy Overview	3-16
2	Financial Guidance	17-27
3	Regulated Transmission	28-35
4	Regulated Distribution	36-55
5	Corporate Responsibility/ESG	56-67
6	IR Contacts & Other Information	68-75



Unless otherwise noted, all numbers are as of September 30, 2021

FirstEnergy®



Focused on Our Future

FirstEnergy **Overview**

We are a forward-thinking electric utility centered on integrity, powered by a diverse team of employees committed to making customers' live brighter, the environment better and our communities stronger.

$44B	6M+	24K	65K	$25B	12K
Total Assets	Total Customers in Six States	Transmission Miles	Square Miles of Service Territory	2021F Rate Base	Employees

Moving FirstEnergy Forward: Our Value Proposition

Our transformative and strategic financing plan along with FE Forward…		
Eliminates all non-SIP/DRIP equity plans	Provides increased financial flexibility to fund investments	Enables the strengthening of our credit profile

We remain uniquely positioned to offer a premium valuation proposition

- **Customer-focused, all electric regulated utility** with geographic and regulatory diversity
- Focused on **customer satisfaction, reliability and affordability**
- Proven track record of **safety and operational excellence**
- Building a **diverse workforce** with a **world-class compliance function** and a **culture centered on integrity**
- **Significant long-term infrastructure growth opportunities:** electrification, renewables integration, and grid reliability and resiliency
- **$17B investment program** through 2025; targeting ~**75% formula rate** recoverable
- **6-8% annual EPS, 6% annual Rate Base growth** and a **sustainable dividend**

Building a World Class Compliance Function and Culture

November Update

2021 Accomplishments	
1Q21	**Added a new Ethics and Compliance component to our Key Performance Indicators (KPI) and a new cascading priority for every employee**
	Appointed strong leaders at the executive management and Board levels to create a culture where compliance is ingrained
	Limiting participation in the political process ▪ Paused FE PAC disbursements and employee contributions while the next steps for the FE PAC are evaluated ▪ Stopping all contributions to 501(c)(4)s ▪ Suspended and/or terminated various political consulting relationships
	Board met with top 140 leaders to discuss expectations regarding compliance and ethics
	Performed training on up-the-ladder reporting for the Legal Department
	Enhanced new employee and third-party on-boarding process to include expectations of our code of business conduct
2Q21	**Updated core values to include Integrity, Safety, Diversity, Equity and Inclusion, Performance Excellence, and Stewardship**
	Revised Code of Business Conduct
	Established Management Compliance Committee
	Appointed new VP of Internal Audit
	Reconstituted the Risk Policy Committee
	Integrated Ethics & Compliance activities into FE Forward Program
	Engaged world-class ethics & compliance training services provider
3Q21	**Remediated the material weakness in internal controls associated with our tone at the top**
	Appointed new VP, Chief Risk Officer and hired Director, Ethics & Compliance
	Completed Office of Ethics & Compliance Charter
	Delivered CECO-lead Code Awareness training to senior leaders and individuals with significant roles in the company's control environment
	Conducted leader-led training on Code of Business Conduct for all company leaders
	Published Ethics & Compliance Program Communications Plan
	Selected and began implementation planning of Governance, Risk, and Compliance tool

- Continuing to build the new, more centralized compliance organization under the leadership of the Chief Ethics and Compliance Officer, Antonio Fernández
- Addressing our processes, policies and controls
- Creating multiple channels for incident reporting and developing thorough and objective processes to investigate and address incidents of misconduct
- Seeking continuous improvement by monitoring, benchmarking and independent assessment of our program
- Enhancing our program to support disclosure updates to our website on our corporate political activity, relationships with certain trade associations, and our Corporate Political Activity Policy, which is currently under review

Compliance Focus Areas

Governance

- Appointed new senior leaders with unwavering commitment to integrity: CEO, Chief Legal Officer (CLO), Chief Ethics and Compliance Officer (CECO), Vice Chair of the Board and Executive Director, Vice President of Internal Audit, and Chief Risk Officer (CRO) and Director of Ethics and Compliance
- Established the Compliance Oversight Subcommittee of the Audit Committee (Compliance Subcommittee) to oversee, with the Board, the assessment of improvements in FE's compliance program
- Established an Executive Director role of the Board to oversee the management team's execution of FE's strategic initiatives, engage with external stakeholders, and support development of enhanced controls & governance policies and procedures
- Incorporated compliance into performance goals and metrics
- Paused disbursements from the Political Action Committee (PAC)
- Continued efforts to integrate the Ethics and Compliance Program and Culture into the FE Forward project, which seeks to transform the Company as a whole
- Implemented the interim guidelines to clarify policies and procedures around lobbying activities on behalf of the Company and political contributions or contributions to special entities
- Leveraging recent compliance and ethics issues to embed a culture of integrity analogous to the Company's long-term, successful efforts to embed a robust safety culture into its operating norms
- Centralizing ethics and compliance organization under CECO's leadership
- Developing a more mature ecosystem of internal policies to govern significant risk areas and establish clear roles and responsibilities to ensure accountability
- Enhancing policies to govern risks associated with, for example, insider trading, gifts and entertainment, political and charitable donations, vendor contracting, financial controls, and signature authority
- Consolidating the code of business conduct, policies, and other compliance resources into a central repository that is accessible and easy to navigate
- Establishing formal protocols for escalating issues to the Board on high-risk issues, such as political contributions, ethics or conduct violations by senior management, or issues with potential for significant adverse financial impact
- Creating a process whereby significant disciplinary action resulting from misconduct or non-compliance is reviewed by a group representing, at least, HR, Ethics and Compliance and Legal to ensure consistent and fair treatment

Risk Management

- Compliance Subcommittee conducted a holistic assessment of FE's compliance program
- Compliance Subcommittee is reviewing key compliance risk areas and related controls for improvement, including political engagement and third-party suppliers
- Agreed to provide benefits to ratepayers:
  - Proactively settled with Ohio AG to forego $105M (including lost distribution revenue) from ratepayers in 2021 pursuant to the decoupling provisions in HB 6
  - Agreed not to seek alternative means of recovering lost distribution revenue as authorized under ESP IV (estimated to be ~$85M in 2020)
  - Agreed to refund ratepayers decoupling revenue, plus interest, of ~$27M collected since February 2020
  - Working with the state regulators to return funds to ratepayers that were improperly included in customer rates
- Removing the risk management function from the internal audit reporting structure, creating a separate Risk Management Department, and revising several policies
- Developing a Compliance Risk Management program to provide reasonable assurance of adequate oversight/management of compliance risks by establishing, at least, a compliance risk register, risk owners and compliance risk mitigation strategies, as appropriate
- Conducting regular audits and capitalizing on data analytics on payment processing to confirm appropriate payment approval processes and compliance with supply chain contracting requirements
- Capitalizing on IT configuration changes to ensure compliance with policies, including payment processing and supply change contracting requirements
- Identifying clear accountability for overseeing the implementation of recommendations identified through risk assessments
- Engaging independent third-party to conduct assessments of risks, ethics and compliance program and culture on a periodic basis

FirstEnergy®

Compliance Focus Areas

Training and Communications

- Held event where Board Chair and Compliance Subcommittee Chair addressed FE's top 140 leaders specifically on expectations to act with integrity in everything we do
- Conducted up-the-ladder training of the Legal Department
- Addition of the code of business conduct training to the new employee onboarding process and third-party onboarding process
- Hosted town hall meeting with all employees and senior leadership team (including new CEO, CLO and CECO) to reinforce integrity is integral to Company's values and success
- Delivered CECO-lead Code Awareness training to senior leaders and individuals with significant roles in the company's control environment
- Implementing a more robust, mature and contemporary approach to training employees on ethics and compliance to ensure consistent understanding and implementation of expectations
- Conducting training on payment processing policies, requirements, and limitations of signature authority
- Establishing formal, planned cadence of compliance communications anchored around relevant risks to ensure employee awareness of the ethics and compliance program, expectations, consequences of non-compliance and resources for help
- Engaging in regular communications with employees by leadership to reinforce that integrity, like safety, is core to everything we do
- Ensuring Company values and expectations are more deliberately highlighted and discussed in communications with all employees
- Additional publication of whom to contact in the event of compliance or ethics concerns
- Requiring certain vendors, consultants, suppliers, and other third-parties to participate in compliance training that is tailored to their compliance risks
- Engaged industry-leading training services company that advises and educates on ethics, regulatory compliance, and corporate culture to develop all-employee code of business conduct training content
- Publicizing anonymized disciplinary actions, as well as ethics and compliance-related rewards

Concern Management

- Full cooperation with ongoing external investigations
- Enhancing concern management program to create program that ensures timely, independent and thorough internal investigations of alleged misconduct while fostering a speak-up culture
- Requiring that all complaints or incident reports concerning compliance matters and involving current officers (vice president and above) be reported to the Audit Committee

Concern Management Continued

- Encouraging good faith reporting of misconduct, emphasizing the value of good-faith reporting and avoiding creating the impression that employees should ever refrain from reporting
- Implementing procedures and training for managers related to best practices for responding to allegations of misconduct that they receive, including how to formally document and escalate such allegations to appropriate channels including to the CECO
- Formally establishing clear and detailed standards and procedures for investigating all reports, including those made through the helpline and from other sources including directly to a supervisor
- Refining the process for collecting, tracking, analyzing, and using information from reporting mechanisms to identify patterns of misconduct. Providing metrics on reporting and corrective actions to the Executive Council and Board

Third-Party Management

- Drastically reduced lobbying activities
- Suspended and/or terminated various political/consultant relationships
- Stopping all contributions to 501(c)(4) organizations and implementing processes and controls governing political participation activities
- Enhancing processes and controls around vendors that interact with prominent political figures on the Company's behalf or are affiliated with a prominent political figure
- Creating a vendor code of business conduct that will be incorporated by reference into the Company's commercial standard terms and conditions
- Establishing formal and centralized policies, procedures, and controls to ensure third-party due diligence is conducted
- Augmenting conflicts of interest policies and procedures as they relate to third-party vendors to explain clearly to employees what constitutes a conflict and what their reporting obligations are
- Monitoring vendor relationships to confirm they are performing services contracted
- Training employees to scrutinize invoices for indicia of fraud
- Periodically requiring consultants and lobbyists to certify, in writing, that they have complied with all applicable laws and regulations, as well as FirstEnergy policies, with respect to their work for the Company

2021 FE Forward Priorities

November Update

2021 Accomplishments	
1Q21	Completed Phase 1 in February 2021, where we assessed our existing organizational and operating models, policies, processes, and management work practices for improvement
	Announced preliminary FE Forward financial targets in March 2021
	Identified 300+ opportunities to enhance and automate processes and utilize data and analytics to take a more strategic approach to optimize O&M and Capex and modernize experiences for our customers and employees
2Q21	Completed Phase 2 in May 2021, which resulted in 175+ initiatives, with detailed implementation plans, and involving more than 650 employees
	Implemented early-execution initiatives; examples include enhanced contract terms, optimized cash disbursements, and inventory management
	Announced transition to a state-based operational model vs. previous 10 utility operating company structure
3Q21	Recurring and one-time value capture exceeding plan; largely driven by 3rd party spend contract negotiations and working capital management
	Established a strategic function to drive Customer Experience improvements and strategies
	On track for standing up Digital Factory, a cross-functional team responsible for designing and delivering company-wide technology solutions

2021 FE Forward Priorities

- Independent Diligence (Phase 1) completed in February 2021
- Transformation Plan and Implementation of Quick Wins (Phase 2) completed in May 2021
- Implementation (Phase 3) started in June 2021
  - Full-scale effort to drive value to the bottom line
  - Rigorous delivery of Performance, Health and new Capabilities

FE Forward: Transformation Objective

Transforming how we operate and achieving full value potential in a sustainable way

- Transition to a **5-state operating model** with centrally-driven best practices and processes
- Form a centralized and strategic function to drive **Customer Experience** improvements and strategies
- Promote clear decision making within a **flatter, more efficient organization**

- Provide **near-term and long-term cash flow benefits** through capex efficiencies and working capital improvements
  - Cumulative FCF improvements of ~$800M through 2023
  - Run rate capex efficiencies of ~$300M/year beg. in 2024
- Reinvest capex efficiencies **to support the energy transition and maintain affordable customer bills**
- Leverage digital enablement and new technologies to **optimize and maintain O&M** at low levels

Preliminary FE Forward Capital Efficiencies & Working Capital Improvements (Minimum Expectations)

($M)

	2021	2022	2023
Gross CapEx Efficiencies	$180	$210	$300
Cost to Achieve (+/- 10%)	$(40)	$(60)	$(50)
Net CapEx Efficiencies	**$140**	**$150**	**$250**
Working Capital Improvements	$100	$150	–
Total FCF Improvements	**$240**	**$300**	**$250**

FE Forward: **Overview**

	Function*	Focus Areas	Examples of Key Initiatives
A	**T&D**	**Improve productivity through system integration, automation, and mobility tools**	▪ Digitally enable planning & scheduling to optimize work sequencing and ensure every crew a full day of work, every day ▪ Increase productivity through updated digital tools (e.g., iPads, barcoding) that eliminate manual data entry and provide video for remote job supervision and validation ▪ Leverage FE-wide best practices and centralize sourcing for vegetation management ▪ Implement new estimating, project design, and project management tools to improve accuracy, reduce production costs and streamline construction
B	**Customer**	**Improve customer experience through more self-service tools and payment options, better communications and seamless interactions**	▪ Increase adoption of online self-service and eBill / autopay ▪ Improve web capabilities and customer interactions to proactively meet needs and reduce the effort for the customer and employees in resolving their issues ▪ Reduce bad debt through implementation of best-in-class collections practices and proactive communication
C	**Corporate Finance** and **HR**	**Align corporate processes to optimize business efficiency**	▪ Deploy self-service reporting tools & dashboards to deliver data-driven insights ▪ Eliminate redundant activities and manual processes through standardization, centralization, and increased automation (e.g., claims handling, miscellaneous billing) ▪ Redesign financial planning processes to simplify & streamline, allowing for more focus on value-add analysis
D	**Corporate (Supply Chain)**	**Optimize spend strategies through industry-leading digital tools and best practices**	▪ Establish new, standard payment terms to improve working capital ▪ Increase focus on the long-term cost (i.e. Total Cost of Ownership) for purchased goods and services ▪ Optimize pricing through strategic sourcing and bundling of projects/work ▪ Deploy new tools to optimize processes, contract management and spend
E	**Regulated Generation**	**Optimize operations through project planning, operational changes, and inventory management**	▪ Establish cost review process to oversee material, contractor, and overtime spend ▪ Expand use of mobile maintenance group to include below-grade distribution work ▪ Standardize control room practices and procedures

*IT/Digital enablement opportunities included throughout

2021 Regulatory Priorities

November Update

	2021 Accomplishments	Event Date
1Q21	**WPP, MP, PE Transmission moved to forward-looking formula rates, subject to refund**	**Effective January 1, 2021**
	Announced a partial settlement with the Ohio Attorney General to stop collection of decoupling revenues and also announced we will not seek recovery of lost distribution revenues as authorized under ESP IV	**Announced in February 2021**
	Filed NJ Light-Duty Electric Vehicle (EV) Charging Infrastructure Program with the NJ BPU	**March 1, 2021**
2Q21	**FERC approved uncontested JCP&L Transmission settlement without modification or condition for forward-looking formula rates** (10.2% ROE)	**April 15, 2021**
	NJ BPU approved JCP&L's EE&C Plan	**April 27, 2021**
3Q21	**All revenues from the Ohio decoupling mechanism, plus interest, were refunded to customers**	**August 2021**
	Submitted Supplemental Filing for JCP&L AMI Plan with testimony and revised schedules	**September 14, 2021**
	Filed a settlement with FERC in ATSI's deferred cost recovery case; all active parties in the case signed onto the settlement	**October 14, 2021**
	Filed unanimous settlement agreement to address ESP IV Quadrennial Review, 2017-2020 SEET & EE Rider Audits 2014-2018; subject to PUCO approval	**November 1, 2021**

2021 Regulatory Priorities

- Pursuing collaborative approach with all interested stakeholders to resolve various Ohio regulatory matters
- Working through various Ohio proceedings related to ongoing investigations
- Working toward settlement and BPU approval of NJ AMI Plan by December 2021
- Working toward settlement and BPU approval of NJ Light-Duty EV Charging Infrastructure Program
- File WV Solar Generation plan with PSC in Q4 2021

FirstEnergy®

Regulatory Calendar

Select Proceedings

Jurisdiction	Key Dates
Ohio	
• Vendor Payment Review (DCR Audit)	Audit Report filed 8/3/21
• Corporate Separation	Audit Report filed 9/13/21; Evidentiary Hearing begins 2/10/22
• ESP IV Quadrennial Review, 2017-2020 SEET & EE Rider Audits 2014-2018	Settlement filed 11/1/21; subject to PUCO approval
• DMR Review	Audit Report due 12/16/21
• Naming Rights Review (DCR Audit)	Audit Report due 11/19/21
• ESP IV ends	5/31/24
• Base Rate Case Filing	By 5/31/24
Pennsylvania	
• PA Management Audit	Report expected in 1Q22
• Default Service Program VI Filing (DSP VI)	4Q 2021
New Jersey	
• Advanced Metering Infrastructure (BPU Ordered)	Working toward settlement and BPU approval by December 2021
• Light-Duty EV Charging Infrastructure Program	Working toward settlement and BPU approval
• NJ BPU Management Audit	Phase I Audit Report expected 4Q 2021; Phase II to be completed by February 2022
West Virginia	
• Integrated Resource Plan Proceeding	Accepted and proceeding closed July 13, 2021
• TCJA Excess/Deficient ADIT Proceeding	Settlement filed August 12, 2021; awaiting PSC decision
Maryland	
• PE Distribution Base Rate Case Filing (PSC Ordered)	By Early 2023
FERC	
• WPP, MP, and PE Transmission Formula Rate Settlement Discussions	Ongoing

FirstEnergy®

Key Regulatory Proceedings by Jurisdiction (2021- 2024)(1)

OH



- ► HB 6 related investigations
  - ► Review of Political and Charitable Spending
  - ► Corporate Separation Audit
  - ► DMR Review
  - ► Vendor Payment review as part of DCR Audit
  - ► Naming Rights Review as part of DCR Audit
- ► Settlement Filed: ESP IV Quadrennial Review, 2017-2020 SEET, & Energy Efficiency Rider Audits 2014-2018; subject to PUCO approval
- ■ Grid Mod II
- ■ ESP V
- ■ Base Rate Case

PA



- ✓ EE&C Plan Phase IV
- ► Management Audit
- ■ Default Service Program (DSP VI)
- ■ LTIIP III

NJ



- ✓ EE Filing
- ► AMI Filing
- ► Light-Duty EV Charging Infrastructure Program Filing
- ► BPU Management Audit
- ■ Accelerate Storm Deferral Recovery

WV



- ► Resolution of Excess / Deficient ADIT in Rates
- ► Vegetation Management
- ► ENEC
- ■ Effluent Limitation Guidelines (ELG)
- ■ Reduce Coal Power Plants Net Book Value
- ■ 50 MW Utility Scale Solar
- ■ Middle Mile Broadband

MD



- ✓ Energy Storage Filings
- ✓ Depreciation Case
- ► Distribution Base Rate Case
- ■ EDIS Extension

FERC

- ✓ JCP&L Formula Rate Case
- ► PE, MP, WPP / KATCo Formula Rate Cases
- ► ATSI Deferred Cost Recovery (Settlement Filed)
- ■ KATCo Asset Transfer Cases

✓ Represents completed proceedings

► Represents active proceedings

■ Represents planned proceedings

(1) See Note 8 "Regulatory Matters" in FirstEnergy Corp.'s Form 10-Q for the quarter ended 9/30/2021

FirstEnergy®

Ohio Settlement Overview

2017-2020 SEET cases, ESP IV Quadrennial Review, and Energy Efficiency rider audits for 2014-2018

- On November 1, 2021, announced a unanimous stipulated settlement with Ohio stakeholders (subject to PUCO approval), which resolves a wide range of topics in ten proceedings before the Commission
  - The settlement agreement is the result of a collaborative process to address numerous open proceedings including the SEET cases for 2017-2020, the ESP IV Quadrennial Review, and Energy Efficiency rider audits for 2014-2018
  - Parties to the settlement include the Office of the Ohio Consumers' Counsel (OCC), PUCO Staff and the Ohio Energy Group
  - The settlement is subject to final approval from PUCO
- The settlement provides Ohio customers with over $300M in aggregate benefits

$M	2022	2023	2024	2025	Total	Notes
Refunds (2017-2019)	$96	-	-	-	$96	Recognized as a special item once settlement is approved
Rate credits	$80	$60	$45	$25	$210	Included in Operating (non-GAAP) results going forward
Total value	$176	$60	$45	$25	$306	
Projected Annual SEET Net Income	~$200M					
Projected Regulatory ROE	~9 – 10%					

- The settlement supports our ESP through May 2024, at which time the Ohio companies will file a base distribution rate case

Strategic Plan: Goals for the Future

Greenhouse Gases
Achieve carbon neutrality by 2050

Renewable Energy
Own at least 50 MW of solar generation in West Virginia

Vegetation
Create 225 acres of biodiverse pollinator habitats

Waste
Recycle or beneficially reuse 50% of our wood poles at the end of their useful lives

Water
20% reduction in water consumption at our two fossil fuel plants by 2030

Electrification
Targeting 100% of new purchases for light-duty and aerial truck fleet to be electric or hybrid vehicles

Volunteerism
75% senior leadership on nonprofit boards; 25% executive team on diverse or multicultural non-profit boards

Economic Development
Create $25B in cumulative economic impact

Grid Modernization
Install smart meters for two-thirds of our total customers

Emerging Technologies
Convert 100% of streetlights owned by our operating companies to smart LEDs by 2030

Energy Efficiency
Between 2021-2025, help customers achieve electricity savings in excess of 7.5M MWh

Service Reliability
Customers will see a 5% reduction in the duration of service interruptions

Transmission Reliability
20% reduction in Transmission Outage Frequency on 100 kV-and-above lines

Exposure Recognition and Reduction
Reduce employees' exposure to potentially life-changing events in the workplace

Diverse Workforce
Aspire to achieve a 30% increase in the number of racially and ethnically diverse employees

Supply Chain
20% of our supply chain spend with diverse suppliers

DEI Perception
Year-over-year improvement in our annual Diversity Equity & Inclusion Employee Survey's inclusion index

Innovation Center
Over the next 12 to 18 months, deploy at least six bots and four analytical models

Workplace of the Future
100% remote capability for employees to access their work on any device at any time

As published in FirstEnergy's Strategic Plan in January 2021. Goal achievement is planned for 2025 unless otherwise noted. Additional information can be found at (https://www.firstenergycorp.com/strategicplan)

FirstEnergy®



Focused on Our Future

Financial **Guidance**

FirstEnergy®

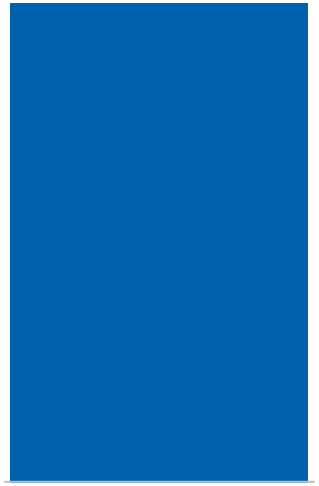
2022 Operating EPS[(1)] Guidance

Introducing 2022 Operating EPS Guidance range of $2.30 - $2.50

2021 Original Guidance Range
$2.40 - 2.60

2021 Revised Guidance Range
$2.55 - 2.65

$2.60



2021F Revised
Operating EPS Midpoint [(2)]
(545M shares)

Key Drivers

+	Investments
–	Ohio rate credits
–	Weather & load
–	Vegetation management accounting policy change
+ / –	Equity financing transactions

2022 Guidance Range:
$2.30 - 2.50

$2.40



2022F
Operating EPS Midpoint[(3)]
(573M shares)

Note: 2022F ETR: Consolidated 21-24%
2021F ETR: Consolidated 20-23% RD 20-23% RT 21-24%,

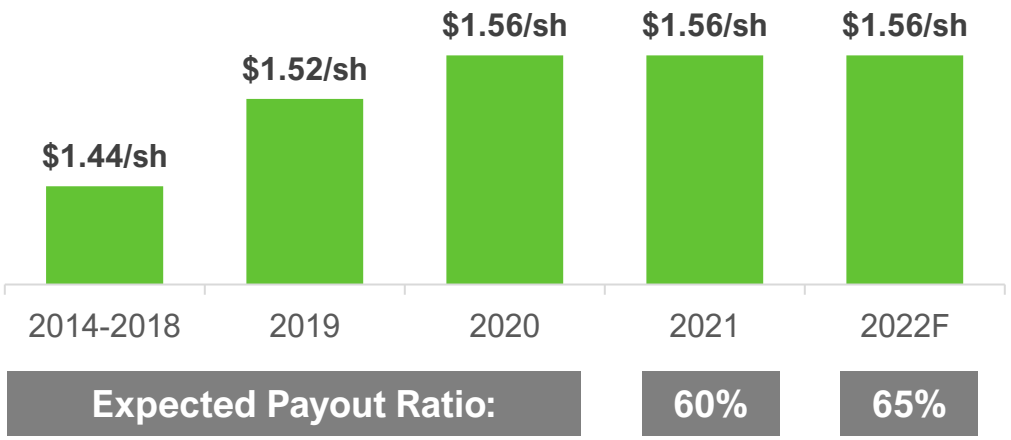
(1) See Slide 75 for information on Non-GAAP Financial Matters
(2) See Slides 72 and 74 for GAAP to Non-GAAP earnings reconciliations
(3) Based on forecasted GAAP Net Income of $1,315M - $1,435M. Special items for 2022 cannot be reasonably estimated. See Slide 75 for information on Non-GAAP Financial Matters.

Dividend Overview

DIVIDEND POLICY:
55-65% TARGETED PAYOUT RATIO

- Current dividend yield of ~4% *(as of 11/5/2021)*
- Sustained commitment to a strong dividend
- Goal to continue dividend growth within the payout ratio, as earnings increase

Annual Dividends Per Share



- **2019:** ~6% dividend increase
- **2020:** ~3% dividend increase
- **2021F:** Maintain dividend at $1.56 per share
- **2022F:** Maintain dividend at $1.56 per share

Dividend payments are subject to declaration by the Board of Directors, which will consider the risks and uncertainties of the government investigations, among other matters

FirstEnergy®

Sustainable Investment Plan (2021-2025)

~$17B

Will be deployed to strengthen the grid and enable the energy transition over the 2021-2025 period

…with an increasing share focused on **sustainable investments**

Grid Modernization & Resiliency: **$8.5B**

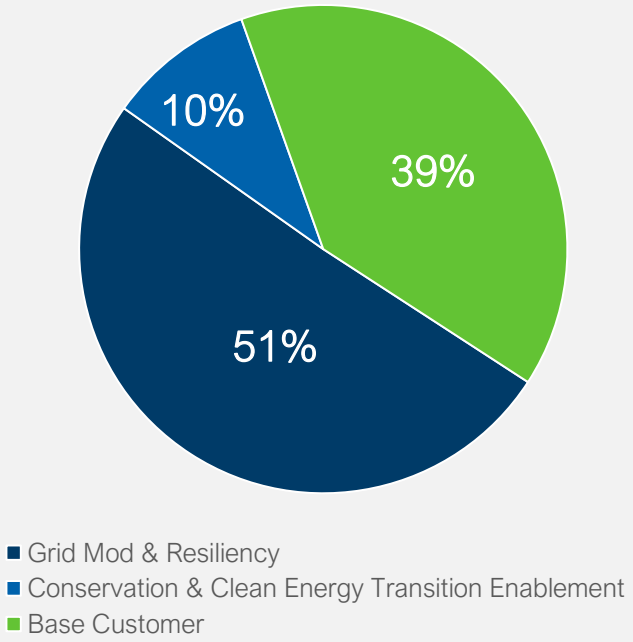
- OH Grid Modernization supporting distribution automation and volt/var optimization
- Rebuilding critical infrastructure in PA
- Hardening and making our transmission system more resilient through Energizing the Future

Conservation & Clean Energy Transition Enablement[(1)]: **$1.7B**

- Two-thirds of our total customers will have smart meters by 2025[(2)]
- 100% of streetlights owned by FE converted to smart LEDs by 2030[(2)]
- EV Charging Station pilots ongoing in MD and pending in NJ
- Pursuing 50MW blocks of solar capacity in WV
- Transmission upgrades to support retirement of existing generation
- Energy efficiency programs that help customers achieve cumulative reductions in electricity savings in excess of 7.5 million MWh between 2021 and 2025

Base Customer[(1)]: **$6.6B**

- Base reliability investments
- Vegetation management in WV
- Focus on economic development by attracting new business



(1) Includes capital-like investments that earn a return
(2) Subject to future regulatory approvals

Note: Does not include JCP&L's proposal to support NJ offshore wind projects

Investment Plan Summary (2021-2025)

~$17B investment plan to strengthen the grid and enable the energy transition

~25% increase in 2025 vs. 2021; including ~65% increase at RT segment

Increasing the percentage of formula rate investments; Targeting ~75% in 2025

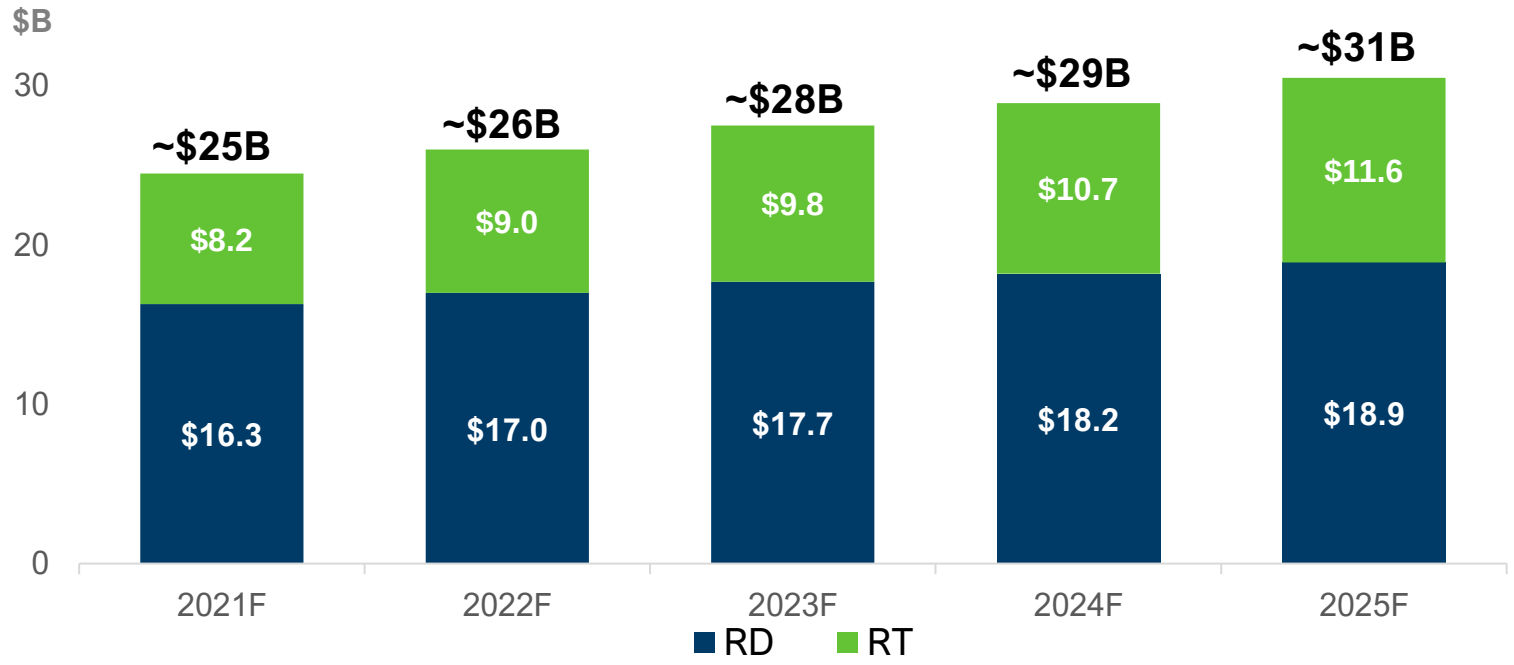
($M)	2021F	2022F	2023F	2024F	2025F
RD	$1,770	$1,790	$1,725	$1,770	$1,830
RT	1,070	1,490	1,600	1,695	1,750
Corp/Other	90	65	55	55	55
FE Consolidated	**~$2.9B**	**~$3.3B**	**~$3.4B**	**~$3.5B**	**~$3.6B**

Notes:
Includes capital-like investments that earn a return
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes.

Rate Base Summary (2021-2025)

Strong rate base growth driven by ~$17B investment plan to strengthen the grid and enable the energy transition

~6% average annual Rate Base growth through 2025 (~4% RD, ~9% RT)



Notes:
Amounts exclude average CWIP balances of $500M - $750M per year for RD and $500M - $1,400M per year for RT.
Includes capital-like investments that earn a return.
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes.

2021-2022 RD Support

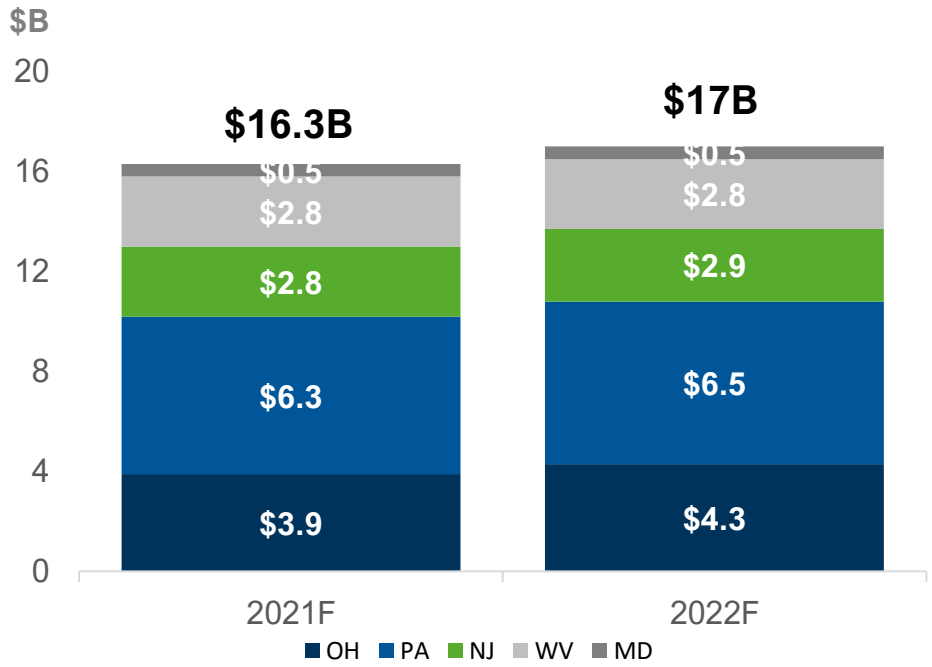
Targeting ~$1.8B of investments in 2022

Investments to support the grid of the future and improve the customer experience

Investments

($M)	2021F	2022F
OH	$580	$580
PA	$540	$510
NJ	$265	$285
WV / MD	$385	$415
RD Segment	**$1,770**	**$1,790**

Rate Base



Notes:
Rate base amounts exclude average CWIP balances of $500M - $550M per year, except in MD.
Includes capital-like investments that earn a return.
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes.

2021-2022 RT Support

Increasing investments to ~$1.5B in 2022

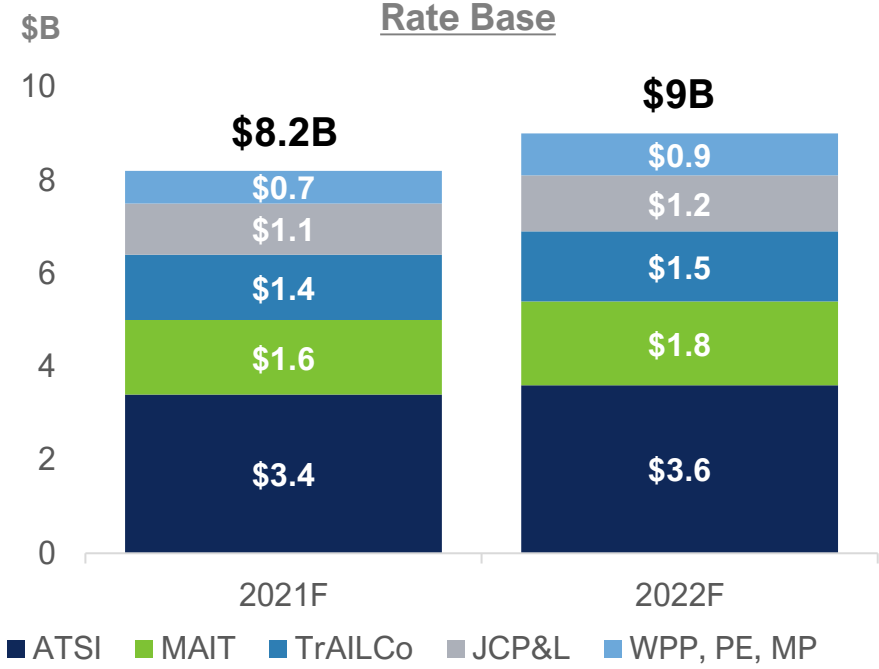
Sustainable investment plan through 100% formula rates

Investments in innovation, new technologies, and preparing for a future of renewable energy

Investments

($M)	2021F	2022F
ATSI	$350	$390
MAIT	320	400
TrAILCo	65	20
JCP&L	185	245
WPP, MP, PE	150	435
RT Segment	**$1,070**	**$1,490**

Rate Base



Notes:
Rate base amounts exclude average CWIP balances of $500M - $800M per year.
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes.

2021-2022 Debt Financing Plan

($M)

2021 plan on track with 5 of 6 deals completed and **all priced at Investment-Grade levels**

2022 Financing plan includes FE Corp. Debt paydowns of $1.35B ($500M due July 2022, $850M due March 2023)

2021F

Entity	Refinancing	New	Total	Segment
✓ FET	$-	$500	$500	RT: $1,250
✓ MAIT	-	150	150	
ATSI	400[1]	200	600	
✓ MP	$74	$126	$200	RD: $850
✓ TE	-	150	150	
✓ JCP&L	-	500	500	
FE	**$474**	**$1,626**	**$2,100**	

[1] Maturity date 01/15/2022

2022F

Entity	Refinancing	New	Total	Segment
OE	$-	$300	$300	RD: $400
PP	100	-	100	
FE	**$100**	**$300**	**$400**	

FirstEnergy®

Weather-Adjusted Distribution Deliveries

- Residential volumes expected to remain higher than pre-pandemic levels
- Commercial volumes expected to increase towards pre-pandemic levels
- Industrial volumes expected to increase and surpass pre-pandemic levels

Total Deliveries (M MWHs)

Residential Commercial[1] Industrial

'19A		'21F	'22F	'23F	'24F	'25F
147	**Total**	**146**	**148**	**148**	**150**	**149**
54	Res	56	55	54	55	54
38	Com	36	37	36	36	36
56	Ind	54	57	58	59	59

Total Deliveries (M MWHs)

	'21F	'22F	% Chg
Total	**146**	**148**	**1.9%**
OH	51	53	3.3%
PA	51	52	1.0%
WV	16	17	2.5%
NJ	20	20	0.5%
MD	7	7	1.5%

	Residential			Commercial			Industrial		
	'21F	'22F	% Chg	'21F	'22F	% Chg	'21F	'22F	% Chg
Sub-Total	**56**	**55**	**-1.4%**	**36**	**37**	**2.2%**	**54**	**57**	**5.2%**
OH	18	17	-2.3%	14	14	3.6%	20	21	8.1%
PA	19	19	-1.0%	8	8	1.2%	24	25	2.5%
WV	6	6	0.0%	4	4	0.0%	7	7	5.7%
NJ	10	10	-2.1%	8	8	2.4%	2	2	5.3%
MD	3	3	0.0%	2	2	0.0%	1	2	7.1%

[1] Commercial includes street lighting

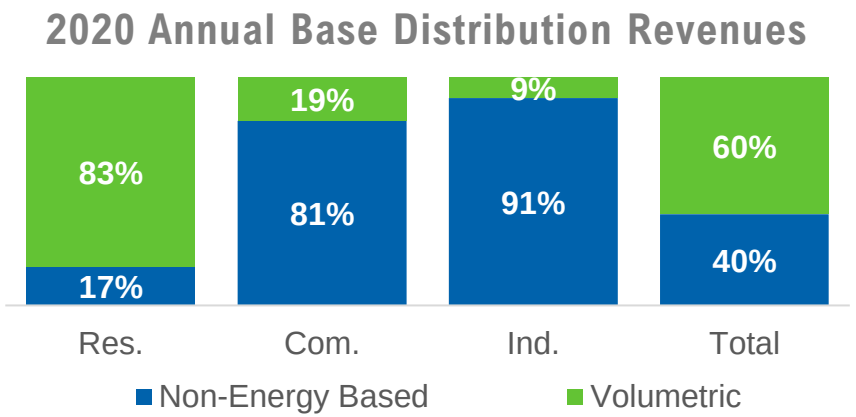
Note: Numbers may not add down and/or across due to rounding

2021-2022 Guidance Sensitivities

RD Segment

Weather Impact on Residential/Commercial Sales Volumes	
+ / - 80 HDD vs. normal (Dec-Mar)	~$0.01/share
+ / - 26 CDD vs. normal (June-Sept)	~$0.01/share

Estimated Impact of Annual Retail Sales Volumes	
+ / - 1% Change in Residential Deliveries	~$0.03/share
+ / - 1% Change in Commercial Deliveries	~$0.01/share
+ / - 1% Change in Industrial Deliveries	~$0.005/share



- ~80-90% of Commercial and Industrial revenues are based on fixed charges
- Residential class is more sensitive to changes in volume due to a higher percentage of volume-based revenues



Focused on Our Future

Regulated Transmission:
Energizing the Future

FirstEnergy®

Regulated Transmission

A PREMIER, FAST-GROWING TRANSMISSION BUSINESS

One of the largest transmission systems in PJM with 24K miles of transmission lines.
Focused on Energizing the Future and making investments that support clean-energy, improve grid reliability and resiliency and support a carbon neutral future.
FERC-regulated, forward-looking rate for all investments.

$8B
2021F Rate Base

$8B
Investment Plan (2021-2025)

9%
Average Annual Rate Base Growth (2021-2025)

100%
Investments Recovered via Formula Rates

Allowed ROEs between
10.2 - 11.7%

$20B+
Future Investment Opportunities

FirstEnergy®

Energizing The Future

Remain committed to embracing innovation and technology with investments that support clean-energy, improve grid reliability and resiliency, and support a carbon neutral future

Investing in innovation and enhancing the grid with new technologies

- **Center for Advanced Energy Technology (CAET)**: Innovative testing and training facility
- **Transmission Asset Health Center:** Real-time monitoring to reduce outages and lower expenses
- **Integrating digital technology** to enhance equipment monitoring and lower costs
- **Exploring real-time technologies:** Emerging technologies to enhance data collection

Continuing strategic investments and preparing for a future of renewable energy

- **Making smart investments to modernize the grid** to integrate future renewables
- **Ensuring reliability** through sequence of capital projects with maintenance requirements
- **Leading in industry dialogue** surrounding the integration of renewables into the grid
- **Exploring opportunities** with stakeholders to achieve their renewable goals

Continued focus on making the right investments for our customers

- **Improving reliability and resiliency** with fewer and shorter outages
- **Lowering total energy costs** by reducing initial capital and future maintenance expenses
- **Supporting the global energy transition** to renewable resources
- **Assisting in advancements** of economic development

Natural Gas-Related Tx Investments by FE

~$70M (2016-2021 YTD)

Renewable-Related Tx Investments by FE

~$40M (2016-2021 YTD)

Active connection requests received by PJM include (FE territory only)**:**

- 18,920 MW Solar
- 5,291 MW Storage
- 10,666 MW Wind
- 10,262 MW Gas

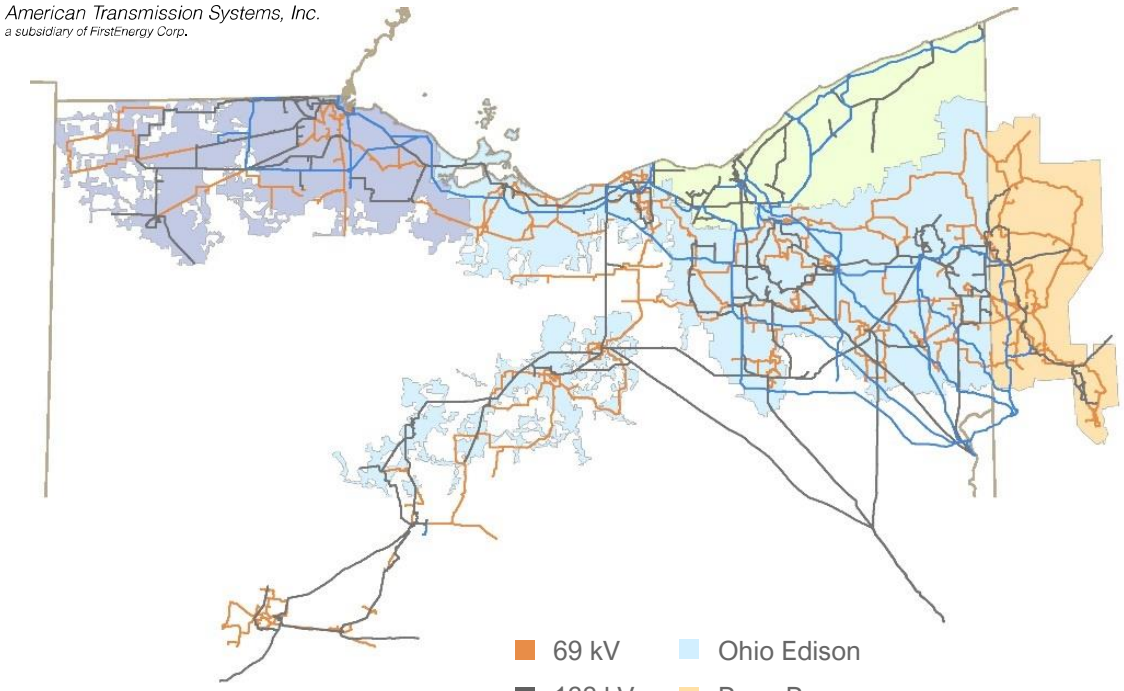
Carbon-Related Deactivation Tx Investments by FE

~$1.3B Total (2010-2020)

Associated with the deactivation of 87 fossil units across 32 plants in PJM

ATSI Overview

ATSI®
American Transmission Systems, Inc.
a subsidiary of FirstEnergy Corp.



ROE Sensitivity +/- 1%: ~$21M

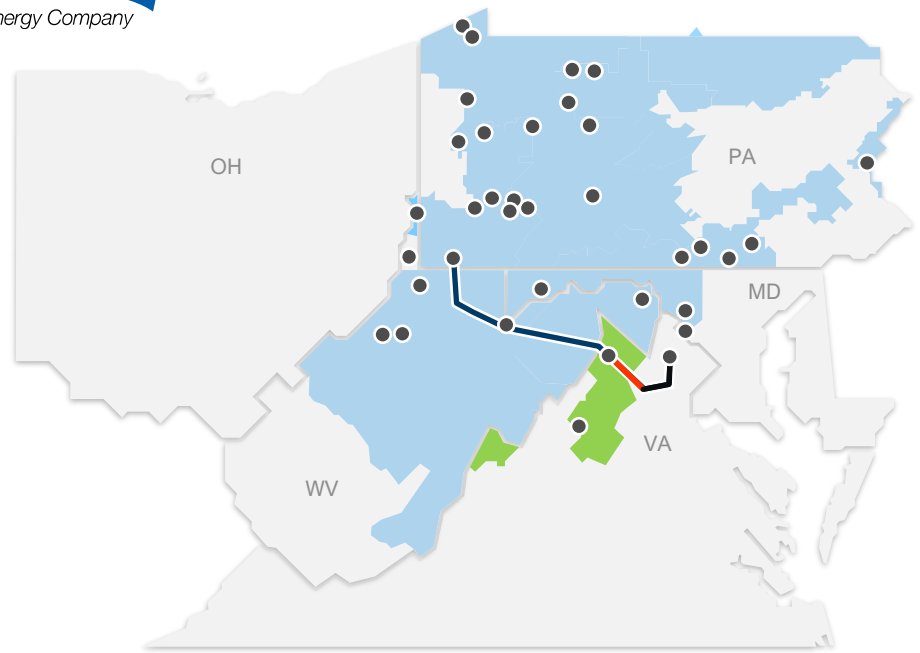
Jurisdiction	FERC
Test Year	Forward-Looking
Term	January – December
Filing Month	October
Allowed ROE	10.38%
Rate Base	$3.6B(1)
Cap Structure	40% Debt / 60% Equity(1)
Location	OE, PP, CEI, and TE
True-Up Mechanism	Yes

(1) Represents projected average rate base and capital structure from ATSI's 2022 Projected Transmission Revenue Requirement filing for the period January 1, 2022 through December 31, 2022

FirstEnergy®

TrAILCo Overview

TrAILCo™
A FirstEnergy Company



- FirstEnergy Utility Service Area
- FirstEnergy VA Transmission Zone
- TrAIL 500 kV Line
- Substation
- FE TrAIL 50% Joint Ownership with Dominion Resources
- Dominion Resources Owned

ROE Sensitivity +/- 1%: ~$9M

Jurisdiction	FERC
Test Year	Forward-Looking
Term	June – Following May
Filing Month	May
Allowed ROE	12.7% (TrAIL the Line & Black Oak SVC) 11.7% (All other projects)
Rate Base	$1.4B(1)
Cap Structure	40% Debt / 60% Equity(1)
Location	WPP, MP, and PE as well as some portions of ME and PN
True-Up Mechanism	Yes

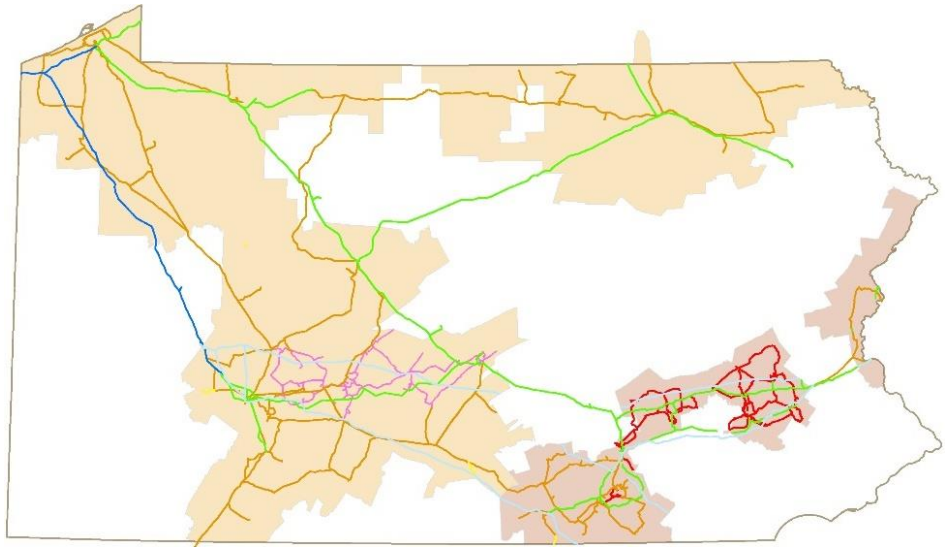
(1) Represents projected average rate base and actual year-end cap structure from TrAILCo's 2021 Formula Rate Annual updated filing for the period June 1, 2021 through May 31, 2022; Rate base may change based on the Transmission Revenue Requirement Filing for 2021 actuals

FirstEnergy®

MAIT Overview

MAIT™

Mid-Atlantic Interstate Transmission, LLC
A FirstEnergy Company



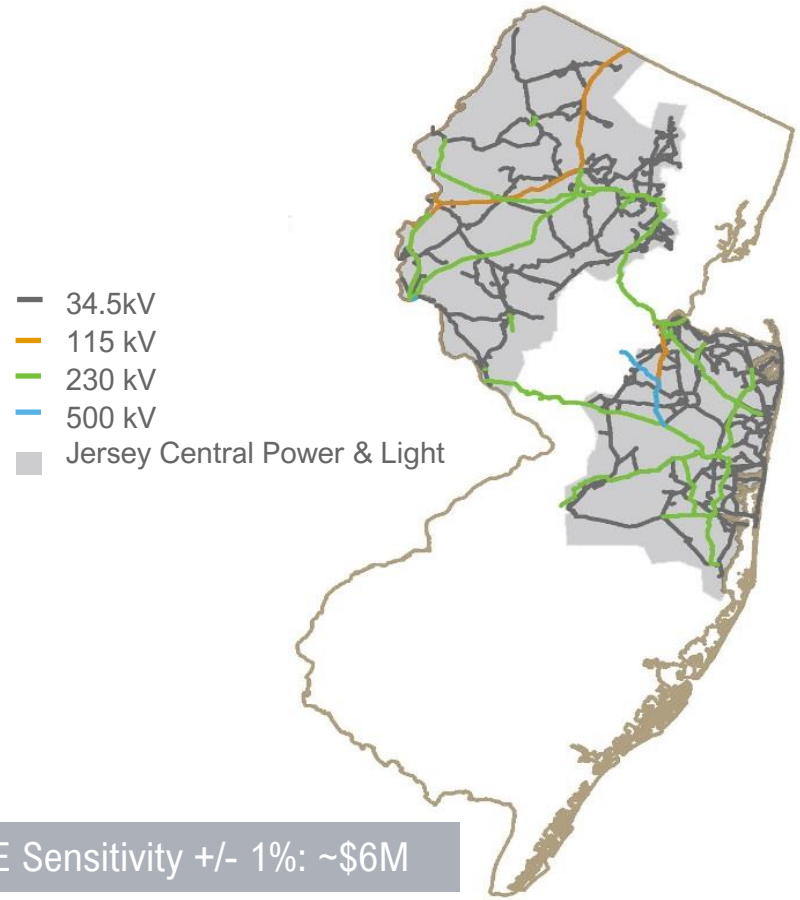
ROE Sensitivity +/- 1%: ~$11M

Jurisdiction	FERC
Test Year	Forward-Looking
Term	January – December
Filing Month	October
Allowed ROE	10.3%
Rate Base	$1.8B(1)
Cap Structure	40% Debt / 60% Equity(1)
Location	ME and PN
True-Up Mechanism	Yes

(1) Represents projected average rate base and capital structure from MAIT's 2022 Projected Transmission Revenue Requirement filing for the period January 1, 2022 through December 31, 2022

FirstEnergy®

JCP&L Transmission Overview



ROE Sensitivity +/- 1%: ~$6M

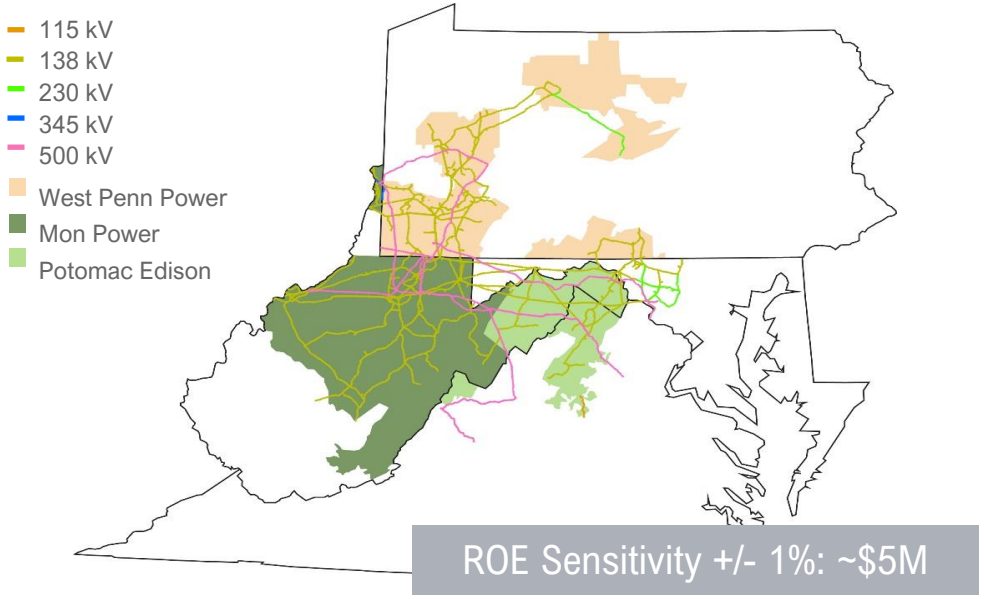
Jurisdiction	FERC
Test Year	Forward-Looking
Term	January – December
Filing Month	October
Allowed ROE	10.2%
Rate Base	$1.2B(1)
Cap Structure	50% Debt / 50% Equity(1)
Location	JCP&L
True-Up Mechanism	Yes

(1) Represents projected average rate base and capital structure from JCP&L's 2022 Projected Transmission Revenue Requirement filing for the period January 1, 2022 through December 31, 2022

FirstEnergy®

WPP, MP and PE Transmission Overview

- On October 29, 2020, filed to move to a forward-looking formula rate, requesting rates to be effective January 1, 2021
- On December 31, 2020, FERC accepted the forward-looking formula rate as filed to become effective January 1, 2021, subject to refund based on the outcome of hearing/settlement procedures
- Keystone Appalachian Transmission Company (KATCo) created to accommodate new construction in this footprint
  - Intend to submit necessary filings to transfer certain existing transmission assets to KATCo



As Filed

Jurisdiction	FERC
Test Year	Forward-Looking(1)
Term	January – December
Filing Month	October(1)
Requested ROE	11.35%(1)
Rate Base	~$940M(2)
Cap Structure	55% Debt / 45% Equity (MP)(2) 48% Debt / 52% Equity (PE)(2) 52% Debt / 48% Equity (WPP)(2)
Location	MP, PE and WPP
True-Up Mechanism	Yes (1)

(1) Represents filing position in the WPP, MP and PE Transmission filing with FERC

(2) Represents projected average rate base and capital structure from SFC's 2022 Projected Transmission Revenue Requirement filing for the period January 1, 2022 through December 31, 2022



Focused on Our Future

Regulated Distribution: *Delivering Customer Focused Growth*

Regulated Distribution

A DIVERSE COLLECTION OF UTILITIES DELIVERING CUSTOMER-FOCUSED SUSTAINABLE GROWTH

Territory spans 65K sq. mi. across the Midwest & Mid-Atlantic regions - one of the largest contiguous territories in the USA.
Focused on investments that enable a smarter and cleaner electric grid of the future.
Balanced customer mix by class (residential, commercial, industrial).

$17B
2021F Rate Base

$9B
Investment Plan (2021-2025)

40%+
Investments Recovered via Formula Rates

4%
Average Annual Rate Base Growth (2021-2025)

6M+
Total Customers in Six States

10
Utility Operating Companies

Allowed ROEs
9.6 - 10.5%
Excluding settled ROEs in PA and WV

Distribution Investments to Support the Grid of the Future

Current and Future Plan

Investing in our distribution system to support the grid of the future and improve the customer experience

Current and Future Investments

- **Advanced Metering Infrastructure (AMI)** – install smart meters and related infrastructure
- **Grid Modernization Investments**
- **Install Electric Vehicle Charging Stations**
- **Connected Lights** – striving to convert 100% of streetlights owned by our operating companies to smart LEDs
- **Broadband** – install middle-mile broadband fiber
- **Information Systems** – enhance our core information infrastructure of our distribution systems

Emerging Technologies

- **Distribution Grid of the Future** – enhanced distribution platform featuring advanced technology that delivers customer value through a stronger, more empowering energy experience
- **Electrification** – Seamless and reliable economy-wide electrification effort to reduce carbon emissions and power a more sustainable future for the customers and communities we serve
- **Smart Cities** – Advanced infrastructure provider who collaborates with partners to create connected, sustainable, and thriving communities
- **Alternative Generation** – Renewable forms of energy production that lowers our carbon footprint

Customer Benefits

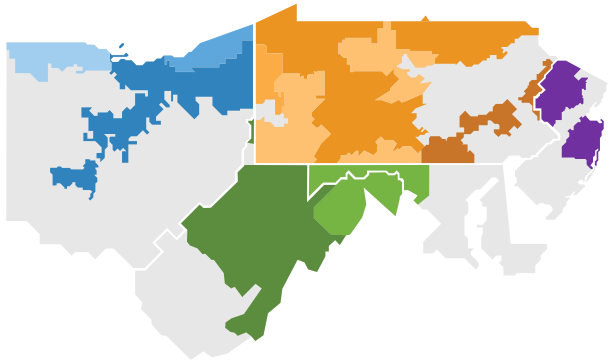
- Enhancing customer reliability with fewer outages
- Keeping total energy costs low to maintain affordable customer bills
- Supporting power quality and grid efficiency
- Providing customers insight into their energy consumption
- Improving visibility into the health of the energy grid
- Supporting the global energy transition to renewable resources
- Assisting in advancements of economic development

Investments in these initiatives are subject to future regulatory approvals

FirstEnergy®

EMERGING TECHNOLOGY PROGRAMS

ALL STATES



*Not included in current projections

Smart Meters

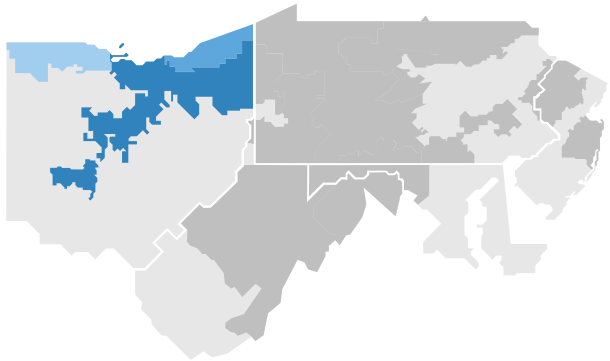
- Smart meters enable two-way power and information flows to improve visibility into the health of the energy grid and provide customers information and control over their energy use at home
- FirstEnergy is in the process of installing advanced meters and infrastructure in **three states** within our service territory
  - **PA:** Successfully deployed ~2.1M smart meters (~100% of our customers)
  - **OH:** Plan to deploy 700k smart meters by August 2022 (installed ~543k)
  - **NJ:** AMI filing calls for 1.2M smart meters (99% of our customers) by end of 2025

Connected LED Streetlight Strategy Across FEU* 2023 – 2030

- Major lighting manufacturers sunsetting HPS fixture production, forcing utilities to convert
- **Strategic goal:** FirstEnergy is expecting to convert 100% of streetlights owned by our operating companies to smart LEDs by 2030
- **Developing state-by-state implementation plan** subject to future regulatory approvals
- **$322M** estimated capital cost over eight years

EMERGING TECHNOLOGY PROGRAMS

OHIO



OH Grid Mod I — September 2019 – August 2022

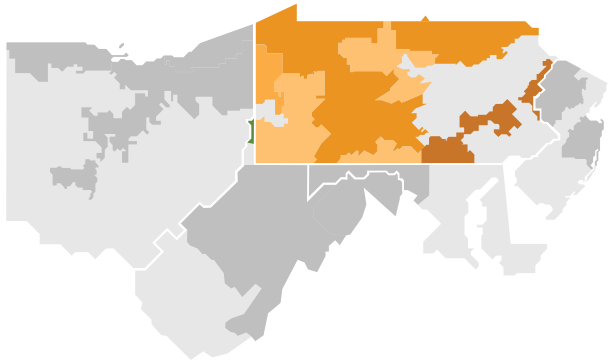
- **Up to $516M** plant in-service recovery via Advanced Metering Infrastructure / Modern Grid Rider (subject to audit)
- Through September 30, 2021:
  - $262M in-serviced
  - 543k of 700k planned smart meters installed
  - 74% of ~200 Distribution Automation (DA) / Volt Var Optimization (VVO) circuits in-progress/completed
- Advanced Distribution Management System (ADMS) implementation included in this program

OH Grid Mod II

- Pursue further grid modernization initiatives such as AMI, ADMS, DA/VVO, and other investments, subject to regulatory approval

EMERGING TECHNOLOGY PROGRAMS

PENNSYLVANIA



PA LTIIP 2020 – 2024

- **Up to $572M** plant in-service recovery via DSIC rider
- Through September 30, 2021:
  - $180M in-serviced
  - Annual Asset Optimization plans filed, and current unit plan is on track to meet commitments
  - LTIIP forecasts on track to meet in-servicing commitments
- ADMS implementation included in this program

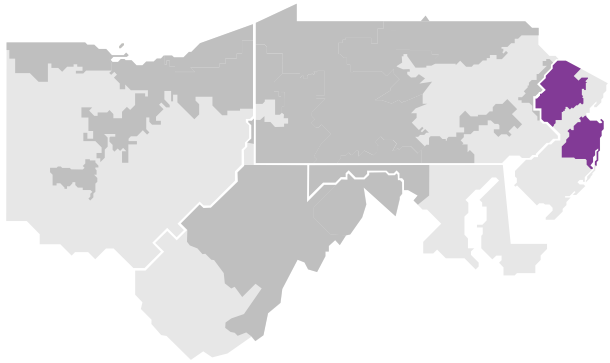
PA Smart Meter 2013 – 2032

- **$1.3B** 20-year total program recoverable costs • **$925M** through September 30, 2021
- Mass deployment complete
- Finishing final challenged location meter installations by December 31, 2022

FirstEnergy®

EMERGING TECHNOLOGY PROGRAMS

NEW JERSEY



*Not included in current projections

NJ AMI — 2022 – 2042

- BPU Order Issued February 29, 2020 • Filed August 27, 2020; Filing Supplement submitted on September 14, 2021 • **$781M** 20-year program recoverable costs
- **1.15M meters • $390M plant in service**, $73M O&M, $31M COR
- 3-year deployment phase (99%) January 2023 – December 2025
- Settlement discussions are ongoing

NJ JCP&L EV Driven Charging Program — 2022 – 2025

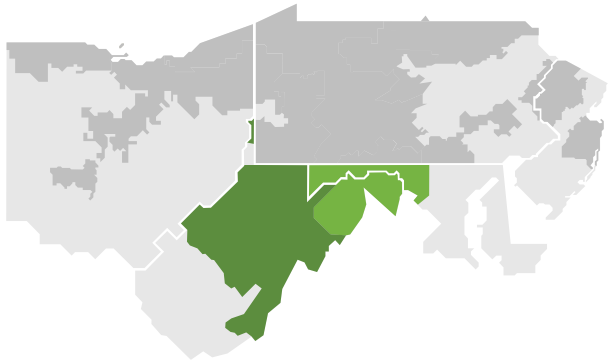
- NJ BPU Staff issued **Light-Duty EV Charging Order** for minimum filing requirements on September 23, 2020
- Submitted JCPL program filing as required on March 1, 2021
  - **$50M** program over 4-year period
  - Residential Customer • Mixed Use Commercial Customer • DCFC Public Charging
  - Program to help drive EV growth in NJ; provide FE with data to understand EV impacts to our distribution system
- Settlement discussions are ongoing

NJ JCP&L Offshore Wind Proposal* — 2025 – 2032

- Submitted filing on September 17, 2021 for a comprehensive onshore transmission investment program that would connect offshore transmission infrastructure built by Mid-Atlantic Offshore Development, LLC, to JCP&L's electric grid
  - **Up to $1.2B** program over 8-year period; utilization of existing infrastructure or rights-of-way, resulting in no greenfield development
- FE has the option to acquire a 20% equity stake in Mid-Atlantic Offshore Development, LLC

EMERGING TECHNOLOGY PROGRAMS

MARYLAND & WEST VIRGINIA



WV **Middle Mile Broadband Expansion Bill** 2023 - 2025

- Authorizes PSC to approve electric utility plans to install **middle-mile broadband fiber** and provide expedited cost recovery • Became law in June 2020
- Assists in advancing economic development, education & healthcare in WV
- **~$70M** capital spend • **3 project sections** totaling 371 miles • across 8 counties

WV **Solar** 2022 - 2025

- **SB583** allows WV utilities to purchase/construct solar and storage and petition PSC outside of base rate case for program approval and cost recovery
  - Maximum of **200MW in 50MW blocks**
- **~$100M** in capital spend through **2025 for 50 MW** of solar generation
- Currently developing/assessing options for maximum flexibility:
  - Self build vs. third party build and turnover to FE
  - Single vs. composite sites
- File with PSC Q4 2021 • Execute construction 2022 - 2023

MD **Electric Vehicle (EV) Charging** 2019 – 2023

- **$6M** pilot program / **$3M** capital investment • **$2M** through September 30, 2021
- Install & own **59 L2/DC Fast Chargers** • Provide customer rebates
- Through September 30, 2021:
  - Installed **16 L2 chargers**; **4 DCFC**
  - Provided 139 residential rebates; 163 off-peak rewards

MD **Battery Storage Pilot** 2022 - 2037

- One application submitted to PSC April 2020, another in February 2021
- Approved April 2021 • Operational by February 28, 2022
  - 1.75MW 3rd party owned / operated on distribution radial circuit - $5.55M – Approved
  - 500kW company owned / operated at EV charging location - $2.0M – Approved

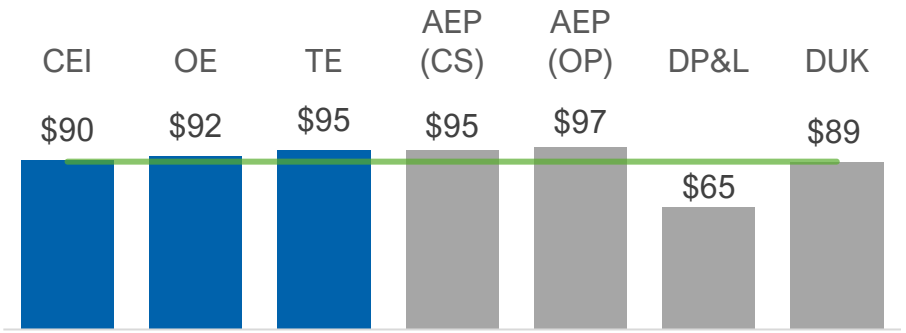
FirstEnergy®

Commitment to Affordability

Rates Effective January 1, 2021

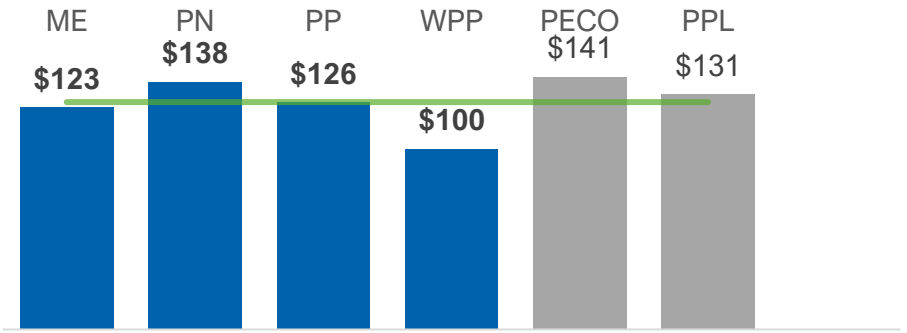
OHIO

[state avg $89]



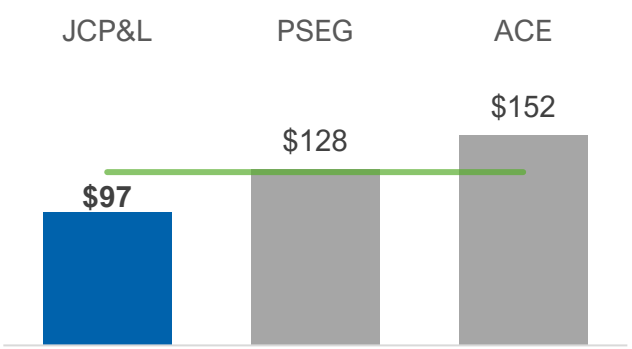
PENNSYLVANIA

[state avg $127]



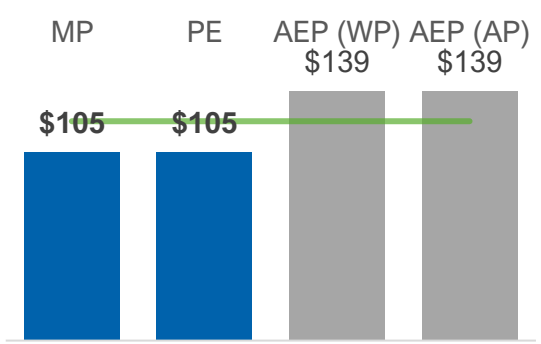
NEW JERSEY

[state avg $126]



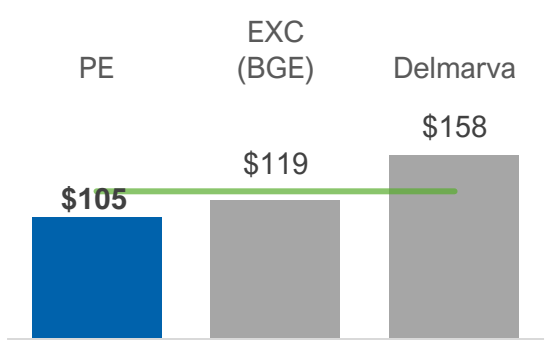
WEST VIRGINIA

[state avg $122]



MARYLAND

[state avg $127]

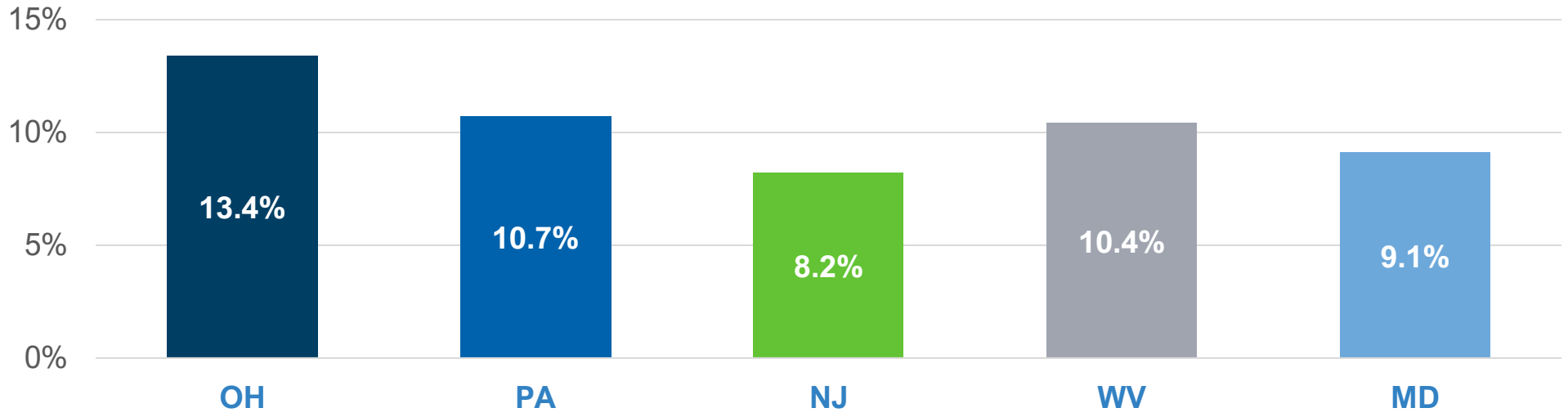


Our customer bills are among the lowest in each state

Average residential monthly usage in OH and NJ 750 kWh, all other states 1,000 kWh
Rockland, Duquesne and Potomac Electric Power Company are excluded as they were not in the published Typical Bills and Average Rates Report Winter 2021.

RD Segment – State ROEs

TTM 9/30/2021



	OH	PA	NJ	WV	MD
Rate base at 9/30/21	$3.8B	$5.9B	$2.8B	$3.1B	$0.5B
Equity/Total Capitalization*	49%	50%	48%	43%	50%
ROE Sensitivity +/- 1%	~$18M	~$29M	~$13M	~$14M	~$3M

Calculations based on:

- Methodology used in last distribution rate case
- Net income, adjusted for special and regulatory items consistent with prior regulatory treatment by jurisdiction
  - Results reflect actual revenue (not weather normalized)
  - Historical results should not be relied upon to estimate the outcome of future rate cases as regulatory assumptions may vary
- Distribution-only view for all states, except WV

* Calculated using allowed capital structure for OH, the actual capital structure for PA, WV & MD and the actual capital structure for NJ (adjusted for Goodwill) – consistent methodology as the last base rate case and/or quarterly earnings reports, as applicable.

FirstEnergy®

Ohio **Overview** (1 of 2)

REGULATORY STRATEGY

- Utilities are required to file applications to establish either an Electric Security Plan (ESP) or a Market Rate Offer to provide customers default generation service, also known as a standard service offer. ESPs establish the pricing and supply of generation service, and may include provisions regarding distribution system investments, grid modernization, economic development and job retention initiatives, and energy efficiency measures.
- OE, CEI, and TE currently operate under ESP IV, which freezes base rates through its duration ending May 31, 2024
- Continued use of riders/surcharges to ensure fair and timely recovery
- Rider AMI recovers costs of the Grid Modernization program approved by the PUCO in 2019 with investments of $516M over three years, subject to annual audits
- Rider DCR provides an opportunity to recover return on/of incremental rate base since last rate case; subject to annual revenue caps and annual audits

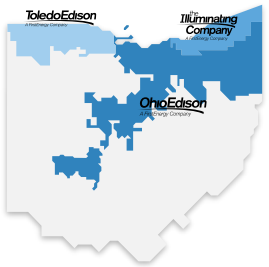
STATE ROE – TTM 9/30/2021

Ohio ROE: 13.4%

(includes OE, CEI, TE)

Key Regulatory Adjustments

- Includes pension/OPEB service costs only
- Excludes subsidiary company earnings (PP) and other non-jurisdictional revenue and expenses
- Calculates income tax expense based on effective tax rate consistent with prior regulatory treatment (22.5%)



CUSTOMERS: 2.1M

INDUSTRIES SERVED: Primary and Fabricated Metals, Chemical, Automotive, Petroleum, Plastics & Rubber

LAST APPROVED RATE CASE STATISTICS (Jan. 2009)

$2.7 B Dx Rate Base	10.5% Allowed Return on Equity
51:49 Allowed Debt / Equity	12 mos. ended FEB. 2008 Test Year

SERVICES PROVIDED

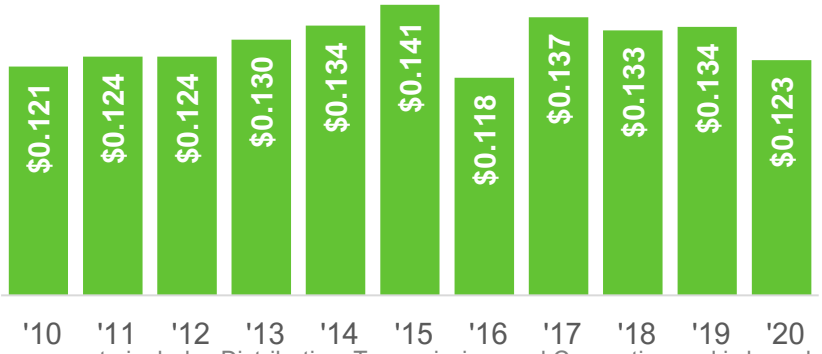
- OE, CEI, and TE provide Distribution service to ~1,060K, 755K and 315K customers, respectively
- Transmission assets are owned and operated by ATSI

FirstEnergy®

Ohio **Overview** (2 of 2)

COMMITMENT TO AFFORDABLE RATES

Average residential customer bills ($ per kWh)



Average rate includes Distribution, Transmission, and Generation and is based on summer pricing for a 750 kWh monthly usage residential customer

SELECT RECOVERY MECHANISMS

Rider	Overview	Reconciled
DCR	Recovers return on/of incremental rate base since last rate case; subject to annual revenue caps	Quarterly
AMI	Recovery of Commission approved grid modernization programs	Quarterly
DSE	Recovery of costs associated with energy efficiency and demand response programs	Semi-Annual
NMB	Recovery of non-market based transmission costs	Annually
GEN	Recovery of purchased power costs associated with being provider of last resort	Annually

BAD DEBT & COVID-19 TRACKING

Approval to Resume Disconnections on:	Detailed Tracking of CV-19 Costs	Deferral of Incremental Bad Debt Expense
10/5/2020*	☑	☑

*Following PUCO approval of the Ohio Companies' transition plan to return to pre-COVID-19 operations and activities on September 23, 2020

STORM COSTS
O&M Deferral: $90M YE 2020 regulatory asset

PENSION/OPEB
Expense recovery based on service costs (last rate case)

TAX REFORM
Tax Rate: Completed
EDIT: Completed

FirstEnergy®

Pennsylvania **Overview** (1 of 2)

REGULATORY STRATEGY

- Continuously review considerations and timing of future rate cases
- LTIIPs for the 2020-2024 period were approved by the commission on January 16, 2020. All companies are currently collecting under the DSIC rider. Penn Power settlement was approved by the commission on March 12, 2020, the DSIC cap is set at 7.5%, through 2024.
- Last two PA rate cases (2015, 2017) were settled through Black Box Settlements which allows for parties to reach consensus revenue requirement without specifying agreement on specific individual terms e.g., Allowed ROE, Rate Base, Capital Structure
- On February 1, 2021, Penelec agreed to sell its Waverly, NY distribution assets (~3,900 customers) to Tri-County Rural Electric Cooperative. Closing of the sale is subject to customary regulatory approvals including the NY PSC and is expected in 2022.

STATE ROE – TTM 9/30/2021

PA ROE: 10.7%

(includes ME, PN, PP, WPP)

Key Regulatory Adjustments

- Distribution-only
- Assumes pension based on 10-year historical cash contributions and OPEB based on current year service costs
- Calculates income tax expenses consistent with latest distribution base rate case



CUSTOMERS: 2.1M

INDUSTRIES SERVED: Primary and Fabricated Metals, Shale Gas, Chemical, Coal Mining, Electric Equipment Manufacturing

LAST APPROVED RATE CASE STATISTICS (Jan. 2017)

$4.8B Dx Rate Base	SETTLED Return on Equity
SETTLED Allowed Debt / Equity	2017 Projected Test Year

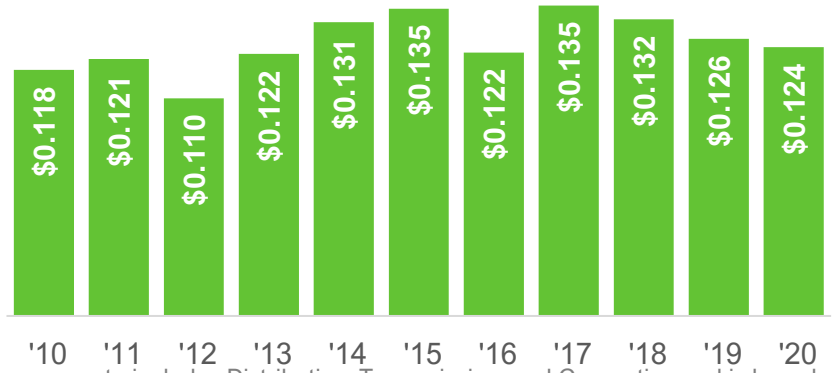
SERVICES PROVIDED

- ME, PN, and PP provide Distribution service to ~580K, 590K, & 170K customers, respectively, while WPP provides Distribution and formula rate Transmission services to ~735K customers
- Transmission assets are owned & operated by MAIT for ME and PN while transmission assets are owned and operated by ATSI for PP

Pennsylvania **Overview** (2 of 2)

COMMITMENT TO AFFORDABLE RATES

Average residential customer bills ($ per kWh)



Average rate includes Distribution, Transmission, and Generation and is based on a 750 kWh monthly usage residential customer

SELECT RECOVERY MECHANISMS

Rider	Overview	Reconciled
DSIC	Recovers acceleration of the repair, improvement, and replacement of existing aging infrastructure between rate cases	Quarterly
SmartMeter	Recovers or returns costs or savings associated with smart meter technology not included in base rates	Annually
PTC	Recovers purchase power costs associated with customers receiving default service	Quarterly
EEC	Recovers costs for energy efficiency programs mandated by Act 129	Annually
DSSR	Recovers costs associated with serving customers in a competitive market	Annually

BAD DEBT & COVID-19 TRACKING

Approval to Resume Disconnections on:	Detailed Tracking of CV-19 Costs	Deferral of Incremental Bad Debt Expense
11/9/2020	☑	☑

STORM COSTS

O&M Deferral: $172M YE 2020 regulatory asset

PENSION/OPEB

Pension recovery based on Historical cash contributions over the last 10 yrs

TAX REFORM

Tax Rate: Completed*
EDIT: Completed

* Jan-Jun 2018 impact deferred until resolution of proceeding filed on May 17, 2021

FirstEnergy®

New Jersey **Overview** (1 of 2)

REGULATORY STRATEGY

- Base Rate Case filed on February 18, 2020; BPU approved settlement on October 28, 2020
  - $94M annual increase in distribution revenue with Customer bill increase effective November 1, 2021
- Advanced Metering Infrastructure ("AMI") Plan filed on August 27, 2020; Filing Supplement submitted September 14, 2021 with cost revisions (not included in current projections)
  - 1.15M meters; $390M plant in service, $73M O&M, $31M COR
  - 3-year deployment phase (99%) Jan. 2023 – Dec. 2025; proposed recovery via AMI Tariff Rider
- Energy Efficiency & Conservation ("EE&C") Plan approved on April 27, 2021 (not included in current projections)
  - $203M budget; 3-year implementation July 2021 – June 2024; Recovery via EE&C component of Rider RGGI, plus Rider LRAM for recovery of lost revenues
- Electric Vehicle Program ("EV Driven") filed March 1, 2021
  - Proposed 4-year program beginning January 2022 with a budget of $50M

STATE ROE – TTM 9/30/2021

NJ ROE: 8.2%

Key Regulatory Adjustments

- Distribution-only
- Assumes pension/OPEB expense presented using Delayed Recognition Method
- Income taxes calculated using statutory rates, consistent with practice used in base rate case filings (28%)



CUSTOMERS: 1.1M

INDUSTRIES SERVED: Chemical, Primary and Fabricated Metals, Food Manufacturing, Plastic & Rubber

LAST APPROVED RATE CASE STATISTICS (Oct. 2020)

$2.6B Dx Rate Base	9.6% Allowed Return on Equity
49:51 Allowed Debt / Equity	TTM ended JUN. 2020 Historical Test Year

SERVICES PROVIDED

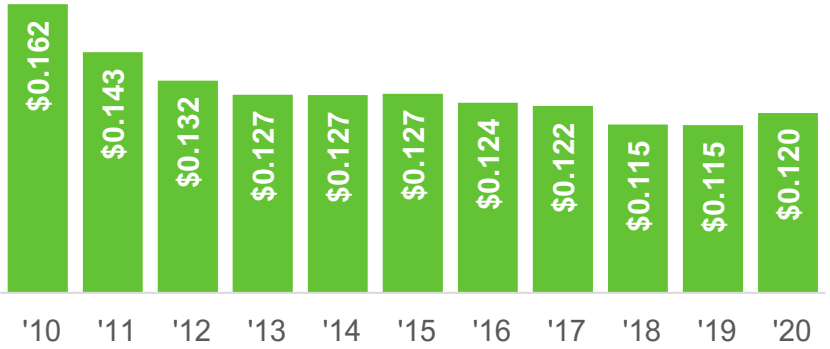
- JCP&L provides Distribution and Transmission services to ~1,150K customers
- Transmission assets are owned and operated by JCP&L and recovered through formula rates

FirstEnergy®

New Jersey **Overview** (2 of 2)

COMMITMENT TO AFFORDABLE RATES

Average residential customer bills ($ per kWh)



Average rate includes Distribution, Transmission, and Generation and is based on a 750 kWh monthly usage residential customer

SELECT RECOVERY MECHANISMS

Rider	Overview	Reconciled
NGC	Recover the above-market portion of payments on Non-Utility Generation contracts	Annually
BGS	Recovery of purchased power costs associated with being provider of last resort	Quarterly
RRC	Recovery of costs for demand response, energy efficiency, and renewable energy programs	Annually

BAD DEBT & COVID-19 TRACKING

Approval to Resume Disconnections on:		Detailed Tracking of CV-19 Costs	Deferral of Incremental Bad Debt Expense
Residential: 12/31/2021	Non-Residential: 10/15/2020	☑	☑

STORM COSTS
O&M Deferral: $460M* YE 2020 regulatory asset

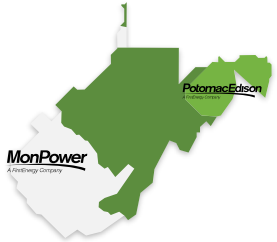
PENSION/OPEB
Recovery based on delayed recognition/smoothing

TAX REFORM
Tax Rate: Completed
EDIT: Completed

*Before ~$109M from the net gain of the sale of Yards Creek

FirstEnergy®

West Virginia **Overview** (1 of 2)



CUSTOMERS: 545K

INDUSTRIES SERVED: Chemical, Coal Mining, Non-Metallic Minerals, Primary and Fabricated Metals, Oil & Gas Extractions

REGULATORY STRATEGY

- Continuously review considerations and timing of future rate cases
- Integrated Resource Plan accepted and proceeding closed on July 13, 2021
- TCJA Excess/Deficient ADITs filed December 30, 2020; settlement resolving all issues filed August 12, 2021 and awaiting PSC decision
- The WV PSC views MP and PE on a combined company basis for regulatory filings and establishment of rates
- Allows for regulated solar and middle mile broadband investment

LAST APPROVED RATE CASE STATISTICS (Feb. 2015)

$2.5B Dx+Tx+Gx Rate Base	SETTLED Return on Equity
54:46 Allowed Debt / Equity	2013 Historical Test Year

STATE ROE – TTM 9/30/2021

WV ROE: 10.4%

(includes MP and PE-WV)

Key Regulatory Adjustments

- Separation Study uses various allocation methods to separate PE into WV, MD, and VA
- WV rates established on a combined basis of MP and PE-WV
- Assumes pension/OPEB expense with MTM smoothing
- Excludes impact of AGC (Bath) and the securitized Ft. Martin Scrubbers
- Tax rate adjustment consistent with statutory rates and prior Commission orders

SERVICES PROVIDED

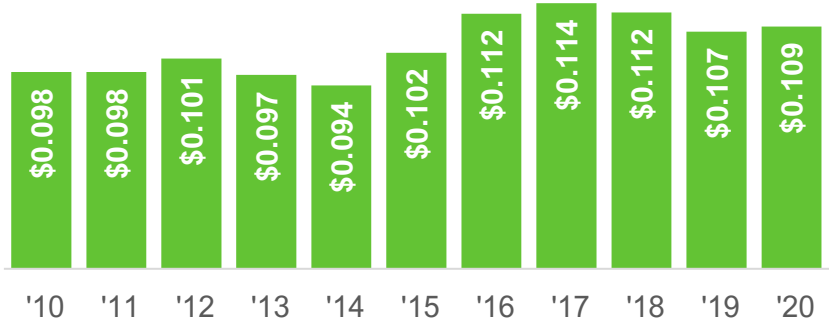
- MP, a vertically integrated company, provides Distribution, Transmission and Generation services to ~395K customers.
- MP owns/controls 3,580MW of regulated generation
- PE provides Distribution, Transmission, and Generation services to ~150K customers and has a PPA in place with MP to procure generation

FirstEnergy®

West Virginia **Overview** (2 of 2)

COMMITMENT TO AFFORDABLE RATES

Average residential customer bills ($ per kWh)



Average rate includes Distribution, Transmission, and Generation and is based on a 750 kWh monthly usage residential customer

BAD DEBT & COVID-19 TRACKING

Approval to Resume Disconnections on:		Detailed Tracking of CV-19 Costs	Deferral of Incremental Bad Debt Expense
Residential: 11/4/2020	Non-Residential: 9/15/2020	☑	☑

SELECT RECOVERY MECHANISMS

Rider	Overview	Reconciled
ENEC	Recovers generation-related fuel, purchased power, and PJM costs, net of revenue credits	Annually
Veg Mgmt	Recovers vegetation control programs with spot trimming along T&D lines	Biennial

REGULATED GENERATION

	PJM Zone	State	Fuel Type	Units	Net Max Cap (MW)	Year Plant Comm	2020 Output M MWH
Bath Co.	Dominion	VA	Hydro	6	487[1]	1985	0.5
Ft. Martin	APS	WV	Coal	2	1,098	1967	5.1
Harrison	APS	WV	Coal	3	1,984	1972	10.9
OVEC	Rest of RTO	Multiple	Coal	Multiple	11[2]	Various	0.1
Total					3,580		

[1] Represents MP's indirect 16.25% interest in Bath County, a pumped-storage hydroelectric station. Bath County is also 23.75% owned by LS Power (non-FE affiliated) and operated by 60% owner Virginia Electric and Power Company (non-FE affiliated).
[2] Represents MP's 0.49% entitlement based on its participation in OVEC

STORM COSTS

O&M Deferral: $26M YE 2020

PENSION/OPEB

Recovery of GAAP expense with MTM smoothing

TAX REFORM

Tax Rate: Completed
EDIT: Filed YE 2020

FirstEnergy®

Maryland **Overview** (1 of 2)



CUSTOMERS: 280K

INDUSTRIES SERVED: Chemical, Coal Mining, Non-Metallic Minerals, Plastics and Rubber Products

REGULATORY STRATEGY

- Current distribution base rates approved March 2019
  - Includes new Electric Distribution Investment Surcharge (EDIS) for 2019-2022 to recover incremental capital investments to improve reliability
- New distribution rate case must be filed by early 2023 to align with the end of EDIS
- Completed distribution depreciation study; Annual distribution rate decrease of ~$2M effective November 1, 2021, to reflect lower depreciation rates
- EV Program to install 59 utility owned public charging stations
- Energy Storage pilot with distribution reliability benefits

STATE ROE – TTM 9/30/2021

MD ROE: 9.1%

Key Regulatory Adjustments

- Separation Study uses various allocation methods to separate PE into WV, MD, and VA
- Distribution-only
- Assumes pension/OPEB expense with MTM smoothing
- Tax rate adjustment consistent with commission-approved statutory rates (27.5%)

LAST APPROVED RATE CASE STATISTICS (Mar. 2019)

$462M
Dx Rate Base

9.65%
Allowed Return on Equity

47:53
Allowed Debt / Equity

12 mos. ended
JUN. 2018
Historical Test Year

SERVICES PROVIDED

- PE provides Distribution and Transmission services to ~280K customers (see exception below)
- PE provides standard offer Transmission and Generation services to customers that do not elect an alternative generation supplier

FirstEnergy®

Maryland **Overview** (2 of 2)

COMMITMENT TO AFFORDABLE RATES

Average residential customer bills ($ per kWh)



Average rate includes Distribution, Transmission, and Generation and is based on a 750 kWh monthly usage residential customer

SELECT RECOVERY MECHANISMS

Rider	Overview	Reconciled
EDIS	Recovery for incremental investments of reliability programs for distribution automation, accelerated underground cable replacement, and substation reclosers	Annually
EmPOWER	Recovery for costs related to PE's sponsored energy efficiency and conservation programs	Annually
SOS	Recovery of purchased power costs associated with providing default standard offer service and PJM transmission costs	Triannual

BAD DEBT & COVID-19 TRACKING

Approval to Resume Disconnections on:		Detailed Tracking of CV-19 Costs	Deferral of Incremental Bad Debt Expense
Residential: 11/15/2020	Non-Residential: 10/1/2020	☑	☑

STORM COSTS
Recovery through base rates only

PENSION/OPEB
Recovery of GAAP expense with MTM smoothing

TAX REFORM
Tax Rate: Completed
EDIT: Completed

FirstEnergy®



Focused on Our Future

Corporate Responsibility/ESG

FirstEnergy®

Corporate Responsibility/ESG

Our ESG story is focused on living our mission by staying true to our core values and behaviors while pursuing objectives and initiatives that positively impact our employees, customers, communities and the environment.

Environmental

TARGET CARBON NEUTRAL

by 2050

Social

$11.5B

Attracted in economic development in 2020

Governance

31%

Board Diversity based on gender, race, and ethnicity

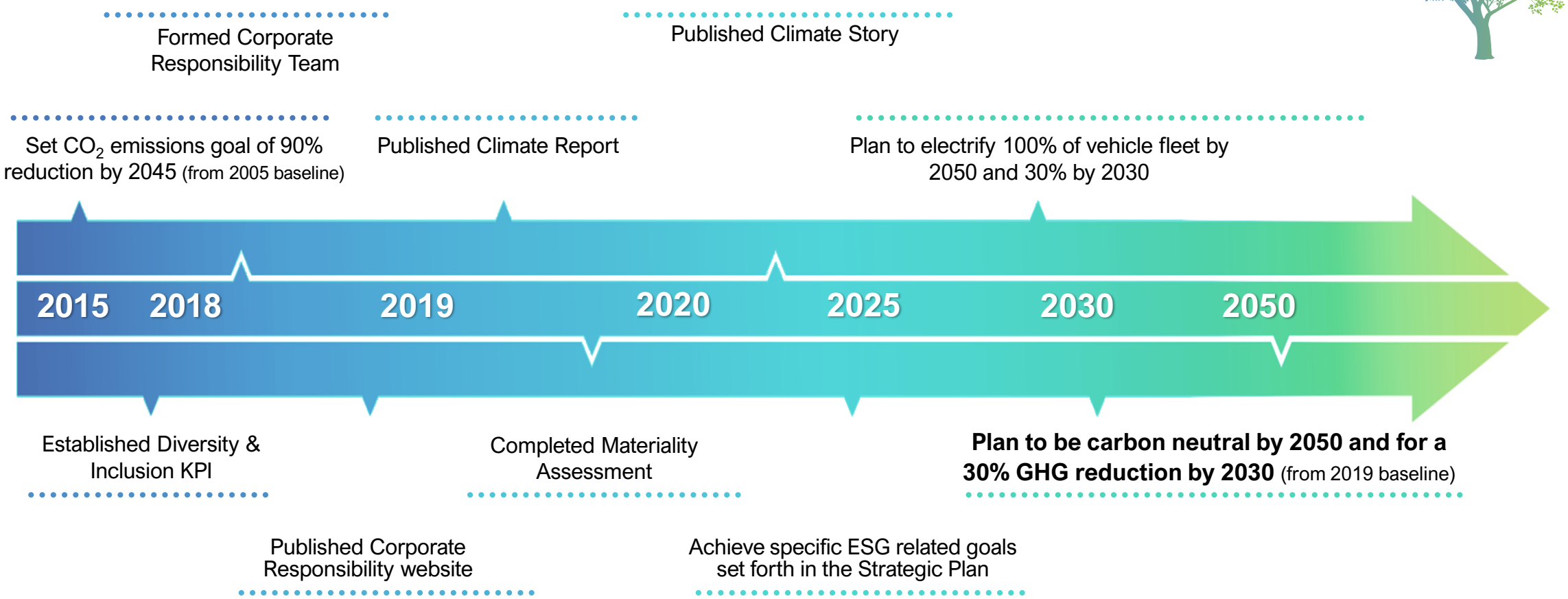
Awards and Recognition

- Earned 2021 Bloomberg Gender-Equality Index Designation for the 3rd consecutive year
- Named to Forbes' Best Employers for Diversity 2020 List
- Received Industry Recognition from Edison Electric Institute for Outstanding Service to Major Customers
- Received Industry Recognition for Outage Restoration Efforts for the 15th consecutive year
- Named to Diversity Inc 2021 Top Utilities, ESG, and Philanthropy Lists
- Named a 2020 Treeline USA Utility for the 22nd consecutive year by National Arbor Day Foundation

FirstEnergy®

Corporate Responsibility/**ESG** Timeline





For additional details visit www.FECorporateResponsibility.com

FirstEnergy®

ESG: Climate Story

Climate POSITION

We believe that climate change is among the most important issues of our time, and we're committed to doing our part to ensure a bright and sustainable future for the communities we serve

We have a responsibility to our stakeholders to proactively mitigate our climate change risks and capitalize on emerging opportunities in a carbon-neutral economy

Climate STRATEGY

Protecting and **enhancing** our **transmission system** to enable a clean-energy and carbon-neutral future

Building a technologically **advanced distribution platform** that improves grid reliability and resiliency, while also enabling our company and customers to support a carbon-neutral economy

Being **innovative** and **forward thinking** with our coal generation fleet as we **explore near-term opportunities** to reduce emissions, incorporate renewable resources and implement emerging technologies

GHG REDUCTION Goal

*Plan to achieve **carbon neutrality by 2050***

*Target an **interim 30% reduction** in **companywide GHG emissions by 2030**, based on 2019 levels*

FirstEnergy's Carbon Reduction Goals – Past & Future

Enhanced GHG Goals (set 2020)

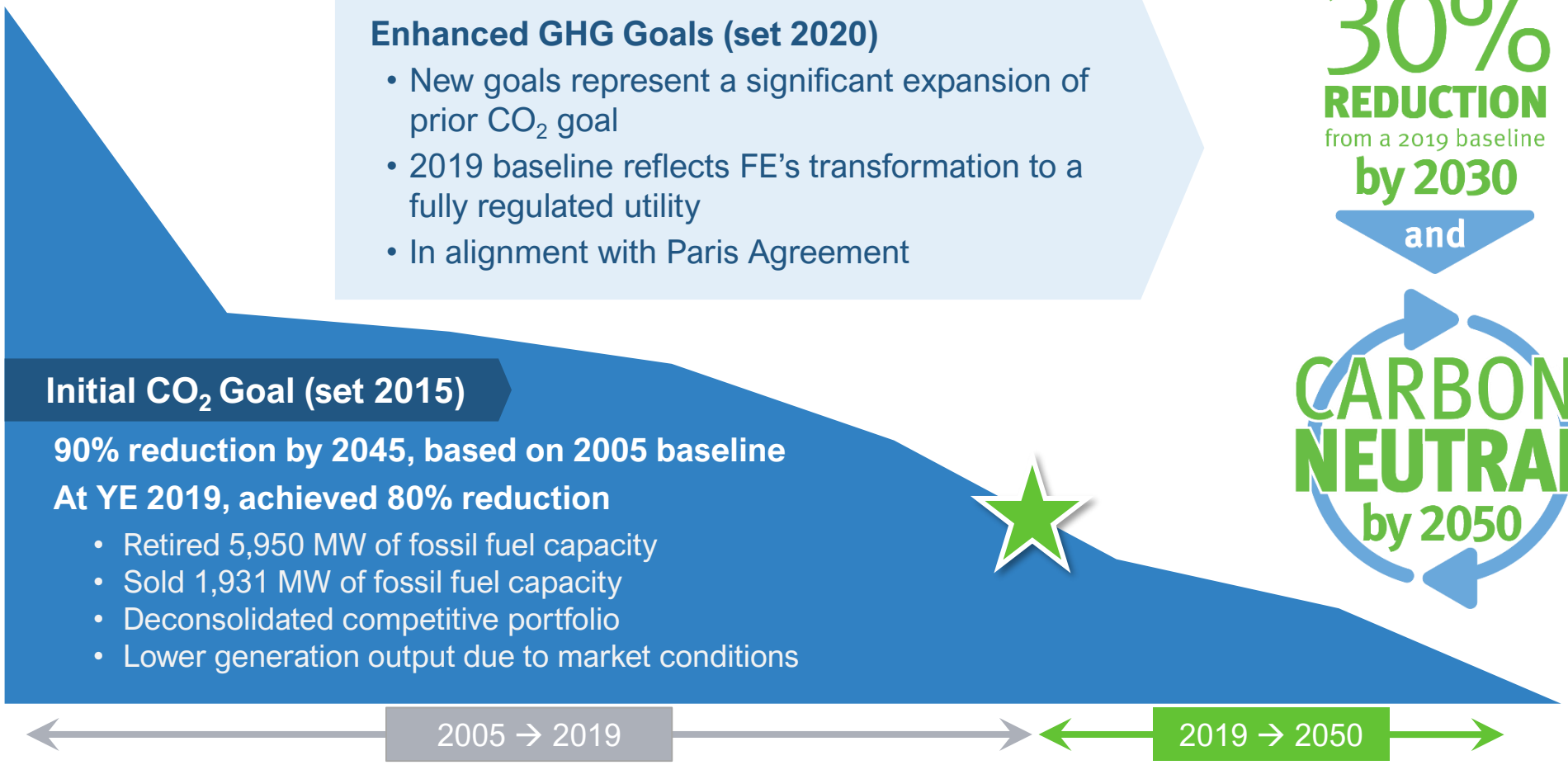
- New goals represent a significant expansion of prior CO_2 goal
- 2019 baseline reflects FE's transformation to a fully regulated utility
- In alignment with Paris Agreement

Initial CO_2 Goal (set 2015)

90% reduction by 2045, based on 2005 baseline

At YE 2019, achieved 80% reduction

- Retired 5,950 MW of fossil fuel capacity
- Sold 1,931 MW of fossil fuel capacity
- Deconsolidated competitive portfolio
- Lower generation output due to market conditions



30% REDUCTION from a 2019 baseline by 2030

and

CARBON NEUTRAL by 2050

2020A Coal Generation as % of Total FE:

Rate Base: ~5%

Net Income: ~5%

Revenues: ~9%

For further information on FirstEnergy's prior CO_2 reduction goal and current GHG reduction goal, please visit the Corporate Responsibility Website
Additional information on FirstEnergy's current GHG reduction goal can also be found on slides 59 and 61

ESG: Greenhouse Gas Reduction Goal

Scope 1 emissions

Our GHG Goal

30% REDUCTION from a 2019 baseline **by 2030**

and

CARBON NEUTRAL by 2050

In alignment with the Paris Agreement

- Explore operational flexibilities with WV coal fleet
- Continue to replace aging SF_6 transmission breakers
- Targeting 100% of new purchases for light-duty and aerial truck fleet to be electric or hybrid vehicles
  - Plan to electrify 30% of vehicle fleet by 2030

- Thoughtfully explore a transition away from our WV coal fleet by 2050
- Continue to replace aging SF_6 transmission breakers with new equipment
- Committing to 100% fleet electrification

In 2020, FE achieved a **19%** reduction in Scope 1 GHG emissions versus 2019 baseline

FirstEnergy

ESG: Environmental Highlights

- Targeting 100% of new purchases for light-duty and aerial truck fleet to be electric or hybrid vehicles
  - 100% of aerial trucks replacements ordered are hybrid and deliveries began in 3Q21
- Continue to implement Integrated Vegetation Management practices on transmission corridors to promote biological and ecological diversity
  - Expect to create 225 acres of biodiverse pollinator habitats across service area by 2025
- Created ~92 acres of biodiverse pollinator habitats – representing significant progress towards our goal of 225 acres across our service territory by 2025
- Helping customers reduce energy consumption and costs, positively impacting the environment

2020 Achievements include:

1.0+ MWh in customer energy efficiency savings

Recycled **30,000** appliances

Provided **~$9.4M** in low-income savings



- Plan to own at least 50 MW of solar generation in West Virginia by 2025

Committed to improving the environment as we build a more climate-resilient electric system and support the transition to a carbon-neutral economy

FirstEnergy®

ESG: Social Highlights

Employee-Focused

- Continue to focus on safety as an unwavering core value, proactively identifying and mitigating life-changing events and exposure
  - Experienced zero systemwide “Life-Changing Events” in 2020 and year-to-date in 2021
- Widening mindset beyond physical safety to include overall health and well-being, with extensive resources available to help approach mental and physical health
- ~7,000 employees transitioned to work from home without interruptions due to COVID-19
- Support Diversity and Inclusion initiatives and business objectives
  - 7 Employee Business Resource Groups with 17 Chapters
  - 60% diverse professional hires in 2020
  - Demonstrated a six-point improvement in annual Diversity & Inclusion Employee Survey's inclusion index in 2020

Community-Focused

- Building stronger communities for employees, customers and their families
- ~20,000 employee volunteer hours in 2020 through Employee Volunteer Program
- Named top 20 Utility for Economic Development by Site Selection Magazine
  - Attracted 25,000 new jobs (direct, indirect and induced) and $11.5B in economic impact in 2020
- Continue to focus on spend with diverse suppliers
  - Committing to achieving 20% of supply chain spend with diverse suppliers by 2025
  - Achieved 16% supplier diversity spend in 2020 with 100+ suppliers providing over $3M of Tier II spend

2020 Highlights – FE Foundation

$2M

To support local organizations in response to **COVID-19**

$7M

To support local organizations in the fight against **racial injustice**

Committed to positively impacting our employees, customers, communities and the environment

FirstEnergy®

ES**G**: Governance Highlights

- Our Board of Directors and executive leadership is committed to strong company performance built upon a foundation of ethics and integrity
  - The Compliance Oversight Subcommittee of the Audit Committee provided a holistic assessment of the Company's compliance program and continues to oversee the implementation of its recommendations for improvements

Shifting from a decentralized to a more centralized Corporate compliance model	**Designating Corporate compliance ambassadors throughout the Company**	**Limiting participation in the political process including additional oversight and significantly more robust disclosures**	**Enhanced coordination of corporate assurance functions**

- Strive to maintain a well-rounded and diverse Board; all Directors are independent, other than Vice-Chair/Executive Director and CEO

31% Diverse (gender, race, ethnicity)	**19% Female**	**4.2 years Average Tenure**	**7 new additions in the last 12 months**

- Annual KPIs have strong ties to:

Environmental	Safety	Ethics & Compliance	Diversity & Inclusion
• Environmental Excursions • Notice of Violations	• Life-Changing Events • Days Away, Restricted, or Transferred Rate	• Negative modifier at the individual level	• Diverse succession planning • Diverse professional hires • Annual DEI climate survey

- Continued focus on Corporate Responsibility/ESG

BOD ESG Oversight, updated Committee Charters	**Cross-Functional Executive-Level Steering Committee**	**Dedicated Corporate Responsibility team**

New quarterly Corporate Engagement report provides direct and indirect lobbying activities, including contributions to 501(c)(4) and 501(c)(6) organizations where membership dues exceed $25,000. Report also provides alignment between this spend and our climate position and strategy.

FirstEnergy®

The Right Team to Best Position FirstEnergy

Board of Directors

- Appointed **Leslie M. Turner** to lead the Compliance Oversight Subcommittee (of the Audit Committee), comprised of independent directors
- Named **John W. Somerhalder II** and **Steve E. Strah** as non-independent Directors in connection with their respective executive roles

Appointment of New, Independent Directors

- **Andrew Teno**, portfolio manager of Icahn Capital LP
- **Jesse Lynn**, general counsel of Icahn Enterprises LP
- **Melvin D. Williams**, 32+ years of utility experience
- **Lisa Winston Hicks**, extensive legal, corporate governance, compliance and risk experience
- **Paul Kaleta**, leader in the energy sector for 30 years; extensive legal and public company experience

Management

- Appointed **John W. Somerhalder II** as executive director and a member of FirstEnergy's executive leadership team
  - 40 years as an energy industry executive with extensive experience navigating complex situations
- Hired **Hyun Park** as SVP and CLO
  - Extensive utility industry experience, including more than a decade as general counsel of PG&E
- Appointed **Steven E. Strah** as CEO
  - 36 years of industry experience and deep understanding of FE's business
  - Held the role of President since May 2020
- Hired **Antonio Fernández** as VP and CECO to help build a strong, centralized program
- Hired **Michael Montaque** as VP of internal audit
- Hired **Soubhagya Parija** as VP and CRO
- Hired **Camilo Serna** as VP of rates and regulatory affairs

Throughout 2021, the Board has appointed strong leaders at the executive management and Board levels to advance our shared commitment to transparency and integrity in every aspect of our business, and the implementation of significantly enhanced compliance controls and procedures

Corporate Governance Best Practices

Independent Oversight

- Special Litigation Committee, made up solely of recently-appointed independent directors established to act with respect to pending shareholder derivative ligation
- Compliance Oversight Subcommittee comprised of all independent directors and supported by independent counsel
- Separate roles for CEO and Independent Board Chair
- All directors are independent, other than our Vice-Chair of the Board / Executive Director and CEO
- Board committees are comprised entirely of independent directors
- Independent directors regularly hold executive sessions without management at Board and committee meetings

Shareholder Rights & Accountability

- Annual election of all directors
- Clear, effective process for shareholders to raise concerns to the Board
- Majority voting threshold for uncontested director elections, with an accompanying Director Resignation Policy
- General majority voting threshold to amend governing documents
- Direct investor relations and governance engagement and outreach to shareholders
- Advisory vote on named executive officer compensation is held on an annual basis, consistent with the shareholder advisory vote on frequency
- Shareholders may nominate directors through proxy access
- Shareholders of 25% or more shares outstanding and entitled to vote may call a special meeting

Board and Committee Oversight

- Enterprise risk oversight by full Board and its committees
- Corporate Governance and Corporate Responsibility Committee oversees corporate citizenship practices including ESG and sustainability initiatives
- Audit Committee oversees risks related to cybersecurity, among other matters including financial statements and compliance
- Compensation Committee ensures alignment between pay and performance
- Compensation Committee oversees Human Capital Management
- Compliance Oversight Sub-Committee oversight of review of and recommendations for implementation of compliance program enhancements
- Safety and Operations Oversight Committee oversees environmental practices and policies

Board Practices

- Goal to maintain at least 30% diverse members (by race, ethnicity and gender combined) for the foreseeable future
- Actively seeks highly qualified women and minority candidates, as well as candidates with diverse backgrounds, skills and experience, to include in the pool from which nominees are chosen
- A robust annual evaluation process: full Board evaluation including third-party interviews, Board committee evaluations and individual director evaluations
- Mandatory director retirement age of 72 pursuant to our Corporate Governance Policies
- Corporate Governance and Corporate Responsibility Committee and full Board engagement in rigorous director succession planning
- Extensive director orientation and continuing education
- Robust stock ownership guidelines
- Anti-Hedging and Anti-Pledging Policies
- No poison pill

ESG: Frequent Topics

TRANSPARENCY

- We launched our Corporate Responsibility website in November 2019. 2020 updates to the website included Sustainability Accounting Standard Board (SASB) data tables.
- In our 2019 Climate Report, we disclosed a 2-degree scenario analysis and climate related risks and opportunities in line with the Task Force on Climate Financial Disclosure's (TCFD) recommendation.
- In 2020, we developed a Climate Position and Strategy which includes our greenhouse gas reduction goal.

GENERATION

- We have no planned capital expenditures on new coal generation.
- Coal power generation accounts for just ~5% of FirstEnergy's total rate base and net income and ~9% of total revenue.

TARGETS

- In November 2020, we set an aggressive CO_2 reduction goal – reduce our Scope 1 CO_2 emissions by 30% from our 2019 baseline by 2030 and be carbon neutral by 2050. This goal is not a science-based target.
- Many of our short-term incentive targets are ESG-related, but not specific to climate. We are tracking towards new ESG-related goals that were published in January 2021 (see slide 16).

FirstEnergy®

Investor Relations Contacts & Other Information



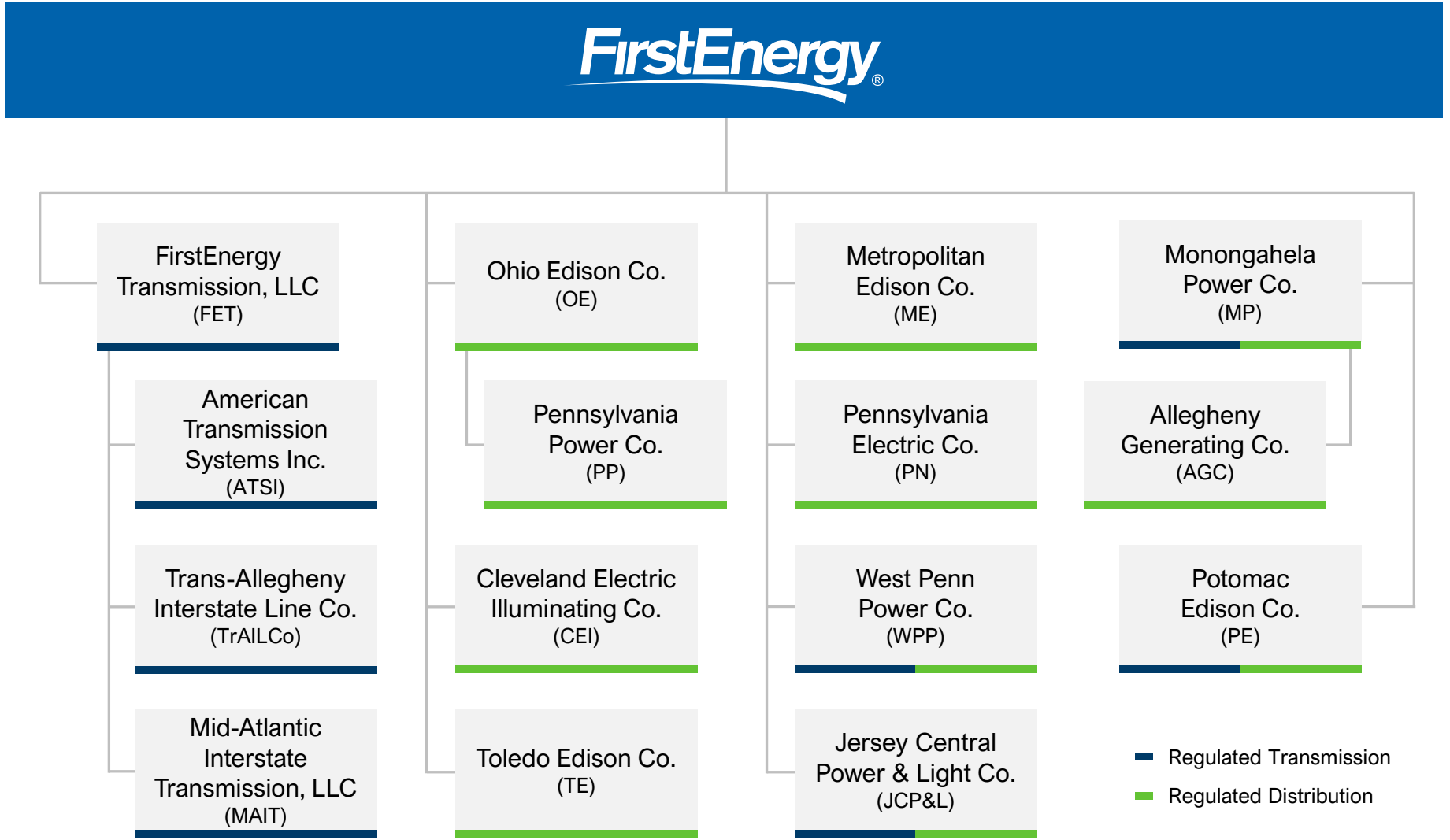
Irene M. Prezelj, Vice President
prezelji@firstenergycorp.com
330.384.3859

Gina E. Caskey, Senior Advisor
caskeyg@firstenergycorp.com
330.761.4185

Jake M. Mackin, Consultant
mackinj@firstenergycorp.com
330.384.4829

For our e-mail distribution list, please contact:
Linda M. Foster, Executive Assistant to Vice President
fosterl@firstenergycorp.com
330.384.2509

Shareholder Inquires:
Shareholder Services (American Stock Transfer & Trust Company, LLC)
firstenergy@amstock.com
1.800.736.3402



Not an all-encompassing legal entity view; FirstEnergy has subsidiaries that are not shown

Political Overview

(P) President
(C) Chair
(VC) Vice Chair



Governor		
Michael DeWine	R	2023
PUCO		
Jenifer French (C)	R	2024
M. Beth Trombold (VC)	I	2023
Lawrence K. Friedeman	D	2025
Dennis P. Deters	R	2026
Daniel R. Conway	R	2022



Governor		
Thomas W. Wolf	D	2023
PA PUC		
Gladys Dutrieuille (C)	D	2023
Vacant		2026
John F. Coleman, Jr.	R	2022
Ralph Yanora	R	2024
Vacant		2025



Governor		
Phillip D. Murphy	D	2022
NJ BPU		
Joseph L. Fiordaliso (P)	D	2025
Dianne Solomon(2)	R	2019
Robert Gordon	D	2023
Upendra Chivukula(1)	D	2020
Mary-Anna Holden(1)	R	2021



Governor		
James C. Justice, Jr.	R	2025
WV PSC		
Charlotte R. Lane (C)	R	2025
Renee A. Larrick	R	2023
William B. Raney(2)	I	2027



Governor		
Lawrence J. Hogan	R	2022
MD PSC		
Jason M. Stanek (C)	R	2023
Mindy L. Herman	D	2024
Michael T. Richard	R	2025
Anthony J. O'Donnell	R	2026
Odogwu (Obi) Linton	D	2022



FERC		
Richard Glick (C)	D	2022
Vacant(3)		2026
James Danly	R	2023
Allison Clements	D	2024
Mark Christie	R	2025

Qualifications: Up to five commissioners who serve five-year terms; appointed by the President with advice/consent of U.S. Senate

(1) NJ BPU Commissioners Dianne Solomon, Upendra Chivukula, and Mary-Anna Holden have expired terms but remain in holdover status
(2) Raney still awaits confirmation by the WV Senate but per WV rules, he may serve as a Commissioner in advance of confirmation
(3) Willie L. Phillips, Jr (D). was nominated on September 20, 2021. Phillips currently serves as Commissioner and Chairman of the Public Service Commission of the District of Columbia. The nomination awaits consideration by the U.S. Senate for confirmation.

Commonly Used Terms & Acronyms

ADIT	Accumulated Deferred Income Taxes
AFUDC	Allowance for Funds Used During Construction
AMI	Advanced Metering Infrastructure
BGS	Basic Generation Service
BOD	Board of Directors
CAGR	Compound Annual Growth Rate
CapEx	Capital Expenditures
CDD	Cooling Degree Days
CFO	Cash From Operations
CFO pre-WC	Cash From Operations pre-Working Capital
CO_2	Cardon Dioxide
CWIP	Construction Work in Progress
DCR	Delivery Capital Recovery
DMR	Distribution Modernization Rider
DPA	Deferred Prosecution Agreement
DRIP	Dividend Reinvestment Plan
DSE	Demand Side Management and Energy Efficiency
DSIC	Distribution System Improvement Charge
DSSR	Default Service Support Rider
Dx	Distribution
EDIS	Electric Distribution Investment Surcharge
EDIT	Excessive Deferred Income Taxes
EE	Energy Efficiency
EE&C	Energy Efficiency & Conservation
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
EV	Electric Vehicle
FCF	Free Cash Flow
FERC	Federal Energy Regulatory Commission
FES Debtors	FES, its' subsidiaries, and FENOC
FEU	FirstEnergy Utilities
FFO	Funds From Operations
GEN	Generation Service Rider
Gx	Generation
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse Gases
HDD	Heating Degree Days
kV	Kilovolt
kWh	Kilowatt-hour
LDR	Lost Distribution Revenues
LTD	Long-Term Debt
LTIIP	Long-Term Infrastructure Improvement Plan
MD PSC	Maryland Public Service Commission
MTM	Mark-to-Market
MW	Megawatt
MWH	Megawatt-hour
NJ BPU	New Jersey Board of Public Utilities
NGC	Non-Utility Generation Charge
NMB	Non-Market Based
NOL	Net Operating Loss
OSHA	Occupational Safety and Health Administration
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
PTC	Price-to-Compare
PUCO	Public Utilities Commission of Ohio
RD	Regulated Distribution
ROA	Return on Assets
ROE	Return on Equity
RRC	Regional Greenhouse Gas Initiative (RGGI) Recovery Charge
RT	Regulated Transmission
RTEP	Regional Transmission Expansion Plan
RTO	Regional Transmission Organization
S&P	Standard & Poor's
SEET	Significantly Excessive Earnings Test
Sf_6	Sulfur Hexafluoride
SIP	Stock Investment Plan
SOS	Standard Offer Service
SRC	Storm Recovery Charge
TCJA	Tax Cuts and Jobs Act
TTM	Trailing Twelve Months
Tx	Transmission
VERP	Voluntary Enhanced Retirement Program
WC	Working Capital
WV PSC	West Virginia Public Service Commission
YE	Year End

FirstEnergy Companies

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
KATCo	Keystone Appalachian Transmission Company
MAIT	Mid-Atlantic Interstate Transmission, LLC
ME	Metropolitan Edison Company
MP	Monongahela Power Company
OH Companies	OE, CEI, TE
OE	Ohio Edison Company
PA Companies	ME, PN, PP, WPP
PE	The Potomac Edison Company
PN	Pennsylvania Electric Company
PP	Pennsylvania Power Company
TE	The Toledo Edison Company
TrAILCo	Trans-Allegheny Interstate Line Company
WPP	West Penn Power Company

2021F GAAP to Operating (Non-GAAP) Earnings[1] Reconciliation

(In $M, except per share amounts)	2021F Regulated Distribution	2021F Regulated Transmission	2021F Corporate/ Other	2021F FirstEnergy Consolidated
2021F Net Income (Loss) (GAAP)	**$1,225 - $1,260**	**$405 - $410**	**($465) - ($450)**	**$1,165 - $1,220**
2021F Earning (Loss) Per Share (545M shares)	**$2.25 - $2.32**	**$0.74 - $0.75**	**($0.85) - ($0.83)**	**$2.14 - $2.24**
Excluding Special Items:				
Regulatory Charges	$0.01	$0.09	-	$0.10
Asset Impairments	-	-	$0.01	$0.01
Exit of Generation	-	-	($0.11)	($0.11)
State Tax Legislative Changes	-	-	$0.02	$0.02
Investigation and Other Related Costs	-	-	$0.51	$0.51
Mark-to-market adjustments – Pension/OPEB actuarial assumptions[2]	($0.02)	-	($0.10)	($0.12)
Total Special Items	**($0.01)**	**$0.09**	**$0.33**	**$0.41**
2021F Operating Earnings (Loss) Per Share – Non-GAAP (545M shares)	**$2.24 - $2.31**	**$0.83 - $0.84**	**($0.52) - ($0.50)**	**$2.55 - $2.65**

(1) Operating earnings exclude special items as described in the reconciliation table above and is a non-GAAP financial measure.

(2) Estimate based on a discount rate of ~3% and actual investment performance through 9/30/2021. If the discount rate was to increase (or decrease) by 25 bps, FirstEnergy would expect the pre-tax mark-to-market gain to increase (or decrease) by ~$370M.

Per share amounts for the special items above are based on the after-tax effect of each item divided by the number of 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 if deductible/taxable. The income tax rates range from 21% to 29%.

2021F Special Items[1]

- **Regulatory Charges** – Primarily reflects the impact of regulatory agreements, concessions or orders requiring certain commitments and/or disallowing the recoverability of costs, net of related credits.
- **Asset Impairments** – Primarily reflects charges resulting from non-cash asset impairments.
- **Exit of Generation** – Primarily reflects charges or credits resulting from the exit of competitive operations, including adjustments related to the Energy Harbor bankruptcy settlement.
- **State Tax Legislative Changes** – Primarily reflects charges resulting from state tax legislative changes.
- **FE Forward Costs** – Primarily reflects certain advisory costs incurred to transform the company for the future.
- **Investigation and Other Related Costs** – Primarily reflects the DPA penalty and other legal expenses related to the government investigations.
- **Mark-to-market adjustments: Pension/OPEB actuarial assumptions** – Primarily reflects the change in fair value of plan assets and net actuarial gains and losses associated with the company's pension and other postemployment benefit plans.

[1] Special items represent charges incurred or benefits realized, including share dilution, 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.

Forward-Looking Statements

This FactBook includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 based on information currently available to management. Such 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. 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 potential liabilities, increased costs and unanticipated developments resulting from governmental investigations and agreements, including those associated with compliance with or failure to comply with the Deferred Prosecution Agreement entered into on July 21, 2021 with the U.S. Attorney's Office for the Southern District of Ohio; the risks and uncertainties associated with government investigations regarding House Bill 6, as passed by Ohio's 133rd General Assembly, and related matters, including potential adverse impacts on federal or state regulatory matters, including, but not limited to, matters relating to rates; the potential of non compliance with debt covenants in our credit facilities; the risks and uncertainties associated with litigation, arbitration, mediation and similar proceedings; legislative and regulatory developments, including, but not limited to, matters related to rates, compliance and enforcement activity, including the final approval by the Public Utilities Commission of Ohio ("PUCO") of the Unanimous Stipulation and Recommendation filed by the Company and eleven other parties with the PUCO on November 1, 2021; the ability to accomplish or realize anticipated benefits from our FE Forward initiative and our other strategic and financial goals, including, but not limited to, maintaining financial flexibility, overcoming current uncertainties and challenges associated with the ongoing government investigations, executing our transmission and distribution investment plans, greenhouse gas reduction goals, controlling costs, improving our credit metrics, growing earnings, and strengthening our balance sheet, including the ability to complete the transactions contemplated by the recently announced agreements governing the sale of a minority interest in FirstEnergy Transmission, LLC and the common stock issuance on the anticipated terms and timing or at all, including the receipt of regulatory approvals; economic and weather conditions affecting future operating results, such as a recession, significant weather events and other natural disasters, and associated regulatory events or actions in response to such conditions; mitigating exposure for remedial activities associated with retired and formerly owned electric generation assets; 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, including the increasing number of financial institutions evaluating the impact of climate change on their investment decisions; the extent and duration of the COVID-19 pandemic and the impacts to our business, operations and financial condition resulting from the outbreak of COVID-19, including, but not limited to, disruption of businesses in our territories and governmental and regulatory responses to the pandemic; the effectiveness of our pandemic and business continuity plans, the precautionary measures we are taking on behalf of our customers, contractors and employees, our customers' ability to make their utility payment and the potential for supply-chain disruptions; 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; 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 climate change or energy efficiency and peak demand reduction mandates; changes in national and regional economic conditions, including inflationary pressure, affecting us and/or our customers and those vendors with which we do business; the risks associated with cyber-attacks and other disruptions to our, or our vendors', information technology system, which 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 reliability standards and energy efficiency and peak demand reduction mandates; changes to 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, or causing us to make contributions sooner, or in amounts that are larger, than currently anticipated; labor disruptions by our unionized workforce; changes to significant accounting policies; any changes in tax laws or regulations, or adverse tax audit results or rulings; and the risks and other factors discussed from time to time in our Securities and Exchange Commission ("SEC") filings. Dividends declared from time to time on FirstEnergy's common 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 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 and 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 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 obligation to update or revise, except as required by law, any forward-looking statements contained herein or in the information incorporated by reference 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 (EPS), Operating earnings (loss) per share (EPS) by segment, Free Cash Flow (FCF), Funds from Operations (FFO) and Adjusted Cash from Operations. 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, Operating earnings (loss) per share by segment, FCF and Adjusted Cash from Operations 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 are not necessarily non-recurring. FE Management cannot estimate on a forward-looking basis the impact of these items in the context of Operating earnings per share guidance for 2022 and future annual projected earnings growth 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 per share guidance for 2022 and future annual projected earnings growth to a GAAP measure without unreasonable effort.

Basic (GAAP) EPS and Operating EPS and Basic (GAAP) EPS and Operating EPS for each segment are calculated by dividing Operating earnings (loss), which excludes special items as discussed above, by 545 million shares for 2021 and 573 million shares for 2022.

Management uses non-GAAP financial measures such as Operating earnings (loss), Operating earnings (loss) per share, FCF, and Adjusted Cash from Operations 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, Free Cash Flow, and Adjusted Cash from Operations 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, FE 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.