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May 1, 2008

VIA OVERNIGHT UNITED PARCEL SERVICEJames J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: *Petition of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company ("FirstEnergy Companies") for Approval of a Consumer Education Plan and a Consumer Education Program Cost Recovery Rider*
Docket Nos. M-00061957, M-2008-2032261, M-2008-2032262, M-2008-2032263

Dear Secretary McNulty:

Enclosed for filing please find the original and four (4) copies of the responses of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company (collectively, "FirstEnergy") to the Commission's request for supplemental information regarding FirstEnergy's filed consumer education plan and cost recovery rider. Please date stamp the additional copy and return it to me in the enclosed, postage-prepaid envelope.

As indicated on the Certificate of Service, copies have been served on the parties in the manner indicated.

Please contact me or Charles Fullem, Director, Rates and Regulatory Affairs, at (610) 921-6525, with any questions regarding this matter.

Sincerely,



Bradley A. Bingaman, Esquire

dlm
Enclosures

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Metropolitan Edison Company,	:	
Pennsylvania Electric Company and	:	
Pennsylvania Power Company For	:	Docket Nos. M-00061957,
Approval of a Consumer Education Plan	:	M-2008-203261, M-2008-2032262,
and a Consumer Education Program Cost	:	M-2008-2032263
Recovery Rider	:	

**RESPONSES OF METROPOLITAN EDISON COMPANY,
PENNSYLVANIA ELECTRIC COMPANY AND PENNSYLVANIA POWER
COMPANY (“FIRSTENERGY”) TO THE COMMISSION’S REQUEST FOR
SUPPLEMENTAL INFORMATION REGARDING FIRSTENERGY’S FILED
CONSUMER EDUCATION PLAN AND COST RECOVERY RIDER**

- 1. Do your rates currently provide for recovery of any consumer education related costs? If so, what is the amount on an annualized basis? Identify the specific categories of costs, including FERC account numbers and amounts, which are currently being recovered. What current tariff rate and/or tariff provision or rider provides for the recovery of these costs?**

No. As indicated in the *Petition of Metropolitan Edison Company, Pennsylvania Electric Company and Pennsylvania Power Company (“FirstEnergy Companies”) for Approval of a Consumer Education Plan and a Consumer Education Program Cost Recovery Rider (“Petition”)* filed December 21, 2007, the FirstEnergy Companies’ rates do not currently provide for recovery of incremental assessments for their portion of any statewide consumer education campaign, and Metropolitan Edison Company (“Met-Ed”) and Pennsylvania Electric Company (“Penelec”) do not have rates currently providing for recovery of any costs associated with the proposed Consumer Education Plan.

However, in the recent General Rate Increase and Rate Transition Plan proceeding at Docket No. R-00061366 *et al.* (Order entered January 11, 2007), the Commission allowed for Met-Ed to recover an annual budgeted amount of \$41,000 and for Penelec to recover an annual budgeted amount of \$49,000 for Goodwill Advertising. The FERC accounts associated with these costs are Met-Ed FERC Account 930.1 and Penelec FERC Account 930.1.

Furthermore, as a result of the restructuring of the electric utility industry in Pennsylvania following the enactment of the Electricity Generation Customer Choice and Competition Act, 66 Pa. C.S. §2801 *et seq.*, the restructuring settlement agreements of the FirstEnergy Companies approved by the Commission included the ability to recover a finite amount of money through the Competitive Transition Charge (“CTC”) as a stranded cost which was to be set aside and used for consumer education on electric choice and competition issues. The amount of money collected was not all spent on electric competition and choice issues, but it was ultimately rolled into universal service spending in the winter of 2005-2006 at the request of the Commission. As a result, all of the money collected for this specific purpose has now been spent, and there is no more money being collected for consumer education purposes.

- 2. What specific categories of costs, including FERC account numbers and amounts, do you feel are recoverable items under your proposed consumer education adjustment rider? These should reflect costs not already recovered per question 1 above.**

The answer to this question varies slightly among the FirstEnergy Companies. The FirstEnergy Companies are seeking approval to establish a proposed Consumer Education Program Cost Recovery Rider as a mechanism to recover the costs associated with educational outreach efforts discussed in the Consumer Education Plan attached to the Petition, in addition to the costs of incremental assessments for the companies’ shares of the costs of any statewide consumer education campaign.

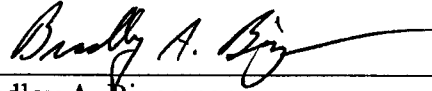
For Met-Ed and Penelec, the specific categories of recoverable costs associated with the outreach efforts, not including the additional assessments for the statewide campaign, include, but are not limited to, the ongoing and future internal and external communications initiatives outlined in the Consumer Education Plan (Pages 4 through 8 of the Consumer Education Plan are attached as Exhibit A). Met-Ed and Penelec estimate total annual costs to implement these initiatives will be in the range of \$500,000 to \$1 million, from 2008 through 2012. The companies will establish separate internal orders to track the costs associated with the Consumer Education Plan to be utilized following Commission approval of the Consumer Education Plan and Consumer Education Program Cost Recovery Rider. These internal orders will most likely assess FERC account 930.1.

Pennsylvania Power’s (“Penn Power”) tariff rider would be similar, except recovery would be limited to the statewide education campaign costs allocated to Penn Power as well as any customer education costs not collected through distribution service rates. Penn Power implemented its successful customer education program prior to the beginning of market-based generation rates on January 1, 2007. The customer education program is continuing and is part of Penn Power’s second competitive procurement process which is currently

underway. Consumer education initiatives were addressed and included in the Joint Petition for Settlement in Penn Power's Interim Default Service Supply Plan, approved by the Commission on March 13, 2008, at Docket No. P-00072305.

Respectfully submitted,

Dated: May 1, 2008



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Counsel for:
Metropolitan Edison Company,
Pennsylvania Electric Company and
Pennsylvania Power Company

EXISTING PROGRAMS

The FirstEnergy Companies have utilized numerous effective communications tools over the years that are planned to continue with possible enhancements through this transition period. Customers will be directed to these programs as well as Web-based resources as part of our comprehensive communications campaign. As we approach the expiration of rate caps, these offerings will be promoted through bill inserts, bill messages, news releases and media contacts. Some examples of our existing communications include:

Residential Customers

Promote through news releases and advertising the availability of the following efforts:

- **Website**
 - Offers a wide variety of tips for saving energy throughout the household. Web site: www.firstenergycorp.com. Customers will be directed to the site through news releases and bill inserts/messages.
 - FirstEnergy's website includes an Online Energy Calculator which allows for a personal profile so consumers can better understand their energy use and identify ways to reduce energy consumption and improve efficiency.
- **Brochures**
 - Tips on energy conservation offered in a booklet entitled *The Energy Decision Maker: Your Guide to Energy Management*, which customers can make copies using their computer's printer. Also, the *Energy Decision Maker* will be promoted through news releases and bill inserts/messages.
- **Low Income Assistance**
 - Through participation in senior citizen fairs and WARM Program Energy Education, we help low-income customers save energy and money by reducing their energy consumption. This is done by installing energy conservation measures in the home and by educating family members on their use of energy.
- **Seminars for Nonprofit groups**
 - FirstEnergy seeks out opportunities to participate in seminars throughout each company's service area to discuss energy conservation and energy-efficient appliances.
- **Information resources for education community**

- Our Website offers free resources for educators and students covering topics such as energy efficiency, conservation, and renewable energy.
- FirstEnergy offers educational grants of up to \$500 to educators at schools and youth groups in communities served by our electric operating companies to help students learn about mathematics, science, and technology. The availability of these grants is promoted through news releases.

Commercial and Industrial Customers

- **Energy Efficiency Seminars**

- Half-day seminars for commercial and industrial customers to learn about ways to save money and be more energy efficient. Will be expanded in 2009 and 2010 to include customers in Met-Ed and Penelec service areas.
- Commercial Customer Energy Efficiency Seminars for building managers and operation and maintenance employees to provide information on improving building operation and maintenance practices. Topics include ways to control energy costs, optimizing building energy systems operations, and performing energy audits.
- Industrial Power Quality & Energy Efficiency Seminars for plant managers, engineers and maintenance personnel to introduce concepts and techniques related to improving power quality and energy efficiency. Topics include energy efficiency and industrial productivity, efficient motors, efficient HVAC and lighting, and waste heat recovery.

- **Chamber/Economic Development Informational Meetings**

- Informational meetings with Chamber/Economic Development groups cover topics, including the impact of the rate caps coming off, the various components of an electric bill, customer choice, energy efficiency and the positive impact of demand management.

- **MeterProfile**

- This program is a Web-based tool that displays data from an advanced interval electric meter and converts that data into useful graphs showing consumption and power factors.
- MeterProfile can help determine energy peaks, monitor power factor, identify power inefficiencies, and find potential energy savings.

EXTERNAL COMMUNICATIONS INITIATIVES

- **News Releases**
 - Produce and distribute periodically up to the expiration of rate caps on December 31, 2010.
 - Address the process for establishing new generation rates, how customers can shop for suppliers, and resources for energy efficiency and demand-side energy management. Also, promote FirstEnergy's Web site for information and the availability of town meetings or information sessions.
- **Letters to Key Constituents**
 - Letters to major customers and local and state government officials will be prepared, as needed, to keep them informed of major developments. Information also can be used for phone contacts, if appropriate.
- **Fact Sheets**
 - Outline key messages and background information on subjects, including wholesale and retail electricity prices, conservation measures, and steps to mitigate/minimize price increases. Help ensure consistent messages by all employees communicating with internal and external audiences.
- **Bill Inserts/Bill Messages**
 - Contain information on wholesale and retail electricity prices, conservation measures, and strategies to mitigate/minimize price increases, as well as resources available on FirstEnergy's Web site.
- **Advertising**
 - Produce newspaper advertisements, if necessary, containing information on wholesale and retail electricity prices, conservation measures, strategies to mitigate/minimize price increases. *(See Appendix for complete list of media outlets – newspapers, radio and TV – in the Met-Ed, Penelec, and Penn Power service areas.)*
- **Dedicated Toll-Free Number**
 - Based on customer contacts and feedback, establish call-in line to respond to customer inquiries regarding electricity prices – beginning in 2009 and continuing through rate cap expiration into 2011.

- **Public Presentations**

- A presentation will be prepared for area managers to use at meetings with local officials, community groups, homeowners associations, etc. The availability of the program will be promoted through news releases and bill inserts.

- **Guest Editorials/Letters to the Editor**

- As needed, guest editorials and letters to the editor will be placed in the local daily newspapers to discuss electricity pricing.

- **News Media**

- Contact “energy beat” reporters and editors regularly to help ensure they have current and accurate information. Also, participation in appropriate large media market television talk shows focused on energy conservation and the ending of rate caps.

INTERNAL COMMUNICATIONS INITIATIVES

- **Employee Meetings**
 - Hold at various locations, beginning in 2009, to present information about the plan to mitigate price increases and answer employees' questions.
- **Supervisor Talking Points**
 - Provide to supervisors – including posting on the *FirstWord* portal site – to help them answer employees' questions.
- **FAQs**
 - Prepare Q&A material for employees to help answer their questions and equip them to respond to questions from family and friends.
- **Employee Update**
 - Special editions will be provided to employees in Pennsylvania, focusing on developments and our efforts as rate cap expiration approaches.
- **E-mail and Voice Mail Messages**
 - Messages will be sent to employees, as needed, to keep them informed of key developments.

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PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Recovery Rider	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service via first class mail, as follows:

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Office of Small Business Advocate
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Service via electronic mail, as follows:

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Pennsylvania Public Utility Commission
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Dated: May 1, 2008



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