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$128 Million to be Spent in 2017 in Penn Power Service Area to Strengthen Electric System

Company's Investment in Infrastructure Projects Designed to Help Reduce Number and Duration of Outages

Akron, Ohio – As part of its ongoing efforts to strengthen the durability and flexibility of its electric system, FirstEnergy Corp. (NYSE: FE) expects to invest about $128 million on distribution and transmission projects to enhance reliability for customers in the Pennsylvania Power's (Penn Power) western Pennsylvania service area.

Major projects scheduled for 2017 include rebuilding transmission lines, adding transformers, breakers and capacitors to substations, enhancing security at substations, dividing power lines into smaller segments to reduce the number of customers affected when an outage occurs, and the inspection and replacement of utility poles.

"We are seeing continued dividends from the investments we have made to our system over the years," said Randall A. Frame, regional president of Ohio Edison, which owns Penn Power. "Our goal is to pursue transmission and distribution projects that not only enhance service to our existing customers, but also prepare our system to accommodate future economic growth,"

Projects scheduled in the Penn Power footprint in 2017 include:

- Rebuilding more than 17 miles of a 69 kilovolt (kV) transmission line connecting substations in New Castle and Slippery Rock to enhance service reliability for customers in Lawrence and Butler counties. The nearly $20 million project is expected to be completed by August.

- Rebuilding 38 miles of a 69-kV transmission connecting substations in New Castle and Ellwood City to enhance service reliability for customers in Beaver and Lawrence counties at a cost of nearly $12 million.
- Replacing capacitor banks, transformers, breakers and relays and other equipment in the Hoytdale, Shenango, Beaver Valley, Warrendale and Harlan substations at a cost of more than $8 million.
- Upgrading an existing 7.5-mile 69-kV transmission line connecting substations in Butler and Mercer counties to support 138 kV operation. Approximately $4 million is expected to be spent this year on the project.
- Building a new modular substation in Stoneboro and rebuilding more than 8 miles of a nearby distribution line at a cost of $5 million.
- Building a new modular substation in New Castle at a cost of $1.7 million.
- Installing enhanced security features at several substations at a cost of almost $2 million.
- Replacing a transformer at a substation in Sharon at a cost of about $1.3 million.
- Rebuilding nearly six miles of circuit in the Jamestown area at a cost of $2.3 million.
- Dividing power lines into smaller segments at a cost of approximately $1 million to help reduce the number of customers affected when an outage occurs.
- Spending nearly $650,000 inspecting and replacing distribution poles, as needed, in Penn Power’s service area.

About $77 million of the total spend will be for transmission projects owned by American Transmission Systems, Incorporated, a FirstEnergy transmission affiliate.

In 2016, FirstEnergy spent about $125 million in the Penn Power area on large and small transmission and distribution projects, including adding equipment to substations, rebuilding power lines, installing voltage-regulating equipment and automated controls, and replacing poles.

Penn Power, a subsidiary of FirstEnergy Corp., serves more than 160,000 customers in all or parts of Allegheny, Beaver, Butler, Crawford, Lawrence, and Mercer counties in western Pennsylvania. Follow Penn Power on Twitter @Penn Power, on Facebook at www.facebook.com/PennPower, and online at www.pennpower.com.

FirstEnergy is dedicated to safety, reliability and operational excellence. Its 10 electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, West Virginia, Maryland and New York. The company's transmission subsidiaries operate more than 24,000 miles of transmission lines that connect the Midwest and Mid-Atlantic regions. Follow FirstEnergy on Twitter @FirstEnergyCorp or online at www.firstenergycorp.com.

Forward-Looking Statements: This news release includes forward-looking statements based on information currently available to management. Such statements are subject to certain risks and uncertainties. These statements include declarations regarding management's intents, beliefs and current expectations. These statements typically contain, but are not limited to, the terms "anticipate," "potential," "expect," "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 ability to experience growth in the Regulated Distribution and Regulated Transmission segments; the accomplishment of our regulatory and operational goals in connection with our transmission investment plan, including, but not limited to, our planned forward-looking formula rates and the effectiveness of our strategy to reflect a more regulated business profile; changes in assumptions regarding economic conditions within our territories, assessment of the reliability of our transmission system, or the availability of capital or other resources supporting identified transmission investment opportunities; the ability to accomplish or realize anticipated benefits from strategic and financial goals, including, but not limited to, the ability to continue to reduce costs and to successfully execute our financial plans designed to improve our credit metrics and strengthen our balance sheet through, among other actions, our cash flow improvement plan and other proposed capital raising initiatives; the risks and uncertainties associated with the lack of viable alternative strategies regarding the Competitive Energy Services (CES) segment, thereby causing FirstEnergy Solutions Corp. (FES), and possibly FirstEnergy Nuclear Operating Company (FENOC), to restructure its debt and other financial obligations with its creditors or seek protection under United States bankruptcy laws and the losses, liabilities and claims arising from such bankruptcy proceeding, including any obligations at FirstEnergy; the risks and uncertainties at the CES segment, including FES and its subsidiaries and FENOC, related to continued depressed wholesale energy and capacity markets, and the viability and/or success of strategic business alternatives, such as potential CES generating unit asset sales, the potential conversion of the remaining generation fleet from competitive operations to a regulated or regulated-like construct or the potential need to deactivate additional generating units; the substantial uncertainty as to FES' ability to continue as a going concern and substantial risk that it may be necessary for FES, and possibly FENOC, to seek protection under United States bankruptcy laws; the risks and uncertainties associated with litigation, arbitration, mediation and like proceedings, including, but not limited to, any such proceedings related to vendor commitments, such as long-term fuel and transportation agreements; the uncertainties associated with the deactivation of older regulated and competitive units, including the impact on vendor commitments, such as long-term fuel and transportation agreements, and as it relates to the reliability of the transmission grid, the timing thereof; the impact of other future changes to the operational status or availability of our generating units and any capacity performance charges associated with unit unavailability; changing energy, capacity and commodity market prices including, but not limited to, coal, natural gas and oil prices, and their availability and impact on margins; costs being higher than anticipated and the success of our policies to control costs and to mitigate low energy, capacity and market prices; replacement power costs being higher than anticipated or not fully hedged; our ability to improve electric commodity margins and the impact of, among other factors, the increased cost of fuel and fuel transportation on such margins; the speed and nature of increased competition in the electric utility industry, in general, and the retail sales market in particular; the uncertainty of the timing and amounts of the capital expenditures that may arise in connection with any litigation, including New Source

Review litigation, or potential regulatory initiatives or rulemakings (including that such initiatives or rulemakings could result in our decision to deactivate or idle certain generating units); changes in customers' demand for power, including, but not limited to, changes resulting from the implementation of state and federal energy efficiency and peak demand reduction mandates; economic or weather conditions affecting future sales and margins such as a polar vortex or other significant weather events, and all associated regulatory events or actions; changes in national and regional economic conditions affecting us, our subsidiaries and/or our major industrial and commercial customers, and other counterparties with which we do business, including fuel suppliers; the impact of labor disruptions by our unionized workforce; the risks associated with cyber-attacks and other disruptions to our information technology system that may compromise our generation, transmission and/or distribution services and data security breaches of sensitive data, intellectual property and proprietary or personally identifiable information regarding our business, employees, shareholders, customers, suppliers, business partners and other individuals in our data centers and on our networks; the impact of the regulatory process and resulting outcomes on the matters at the federal level and in the various states in which we do business including, but not limited to, matters related to rates and the Ohio Distribution Modernization Rider; the impact of the federal regulatory process on Federal Energy Regulatory Commission (FERC) regulated entities and transactions, in particular FERC regulation of wholesale energy and capacity markets, including PJM Interconnection, L.L.C. (PJM) markets and FERC-jurisdictional wholesale transactions; FERC regulation of cost-of-service rates; and FERC's compliance and enforcement activity, including compliance and enforcement activity related to North American Electric Reliability Corporation's mandatory reliability standards; the uncertainties of various cost recovery and cost allocation issues resulting from American Transmission Systems, Incorporated's realignment into PJM; the ability to comply with applicable state and federal reliability standards and energy efficiency and peak demand reduction mandates; other legislative and regulatory changes, and revised environmental requirements, including, but not limited to, the effects of the United States Environmental Protection Agency's Clean Power Plan, Coal Combustion Residuals regulations, Cross-State Air Pollution Rule and Mercury and Air Toxics Standards programs, including our estimated costs of compliance, Clean Water Act (CWA) waste water effluent limitations for power plants, and CWA 316(b) water intake regulation; adverse regulatory or legal decisions and outcomes with respect to our nuclear operations (including, but not limited to, the revocation or non-renewal of necessary licenses, approvals or operating permits by the Nuclear Regulatory Commission or as a result of the incident at Japan's Fukushima Daiichi Nuclear Plant); issues arising from the indications of cracking in the shield building at Davis-Besse; changing market conditions that could affect the measurement of certain liabilities and the value of assets held in our Nuclear Decommissioning Trusts, pension trusts and other trust funds, and cause us and/or our subsidiaries to make additional contributions sooner, or in amounts that are larger than currently anticipated; the impact of changes to significant accounting policies; the impact of any changes in tax laws or regulations or adverse tax audit results or rulings; 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 and our subsidiaries; further actions that may be taken by credit rating agencies that could negatively affect us and/or our subsidiaries' access to financing, increase the costs thereof, increase requirements to post additional collateral to support, or accelerate payments under outstanding commodity positions, letters of credit and other financial guarantees, and the impact of these events on the financial condition and liquidity of FirstEnergy and/or its subsidiaries, specifically the subsidiaries within the CES segment; issues concerning the stability of domestic and foreign financial institutions and counterparties with which we do business; and the risks and other factors discussed from time to time in our United States Securities and Exchange Commission (SEC) filings, and other similar factors. 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. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and risks that are included in our 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. 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 Corp.'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. The registrants expressly disclaim any current intention to update, except as required by law, any forward-looking statements contained herein as a result of new information, future events or otherwise.