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June 14, 2010

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

**RE: Joint Application of West Penn Power Company doing business as Allegheny Power, Trans-Allegheny Interstate Line Company and FirstEnergy Corp. For A Certificate of Public Convenience Under Section 1102(A)(3) of the Public Utility Code Approving A Change of Control of West Penn Power Company and Trans-Allegheny Interstate Line Company;
Docket Nos. A-2010-2176520 and A-2010-2176732**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") are the original and three (3) copies of the Petition to Intervene of the West Penn Power Industrial Intervenors ("WPII"), in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Please date stamp an extra copy of this transmittal letter and Petition, and kindly return it for our filing purposes. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By *Vasiliki Karandrikas*
Vasiliki Karandrikas

Counsel to the West Penn Power Industrial Intervenors

VK/sds
Enclosures

- c: Administrative Law Judge Wayne L. Weismandel (via Hand Delivery and E-mail)
- Administrative Law Judge Mary D. Long (via First-Class Mail and E-mail)
- Certificate of Service

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT APPLICATION OF WEST PENN :
POWER COMPANY doing business as :
ALLEGHENY POWER, TRANS- :
ALLEGHENY INTERSTATE LINE COMPANY :
AND FIRSTENERGY CORP. FOR A : Docket Nos. A-2010-2176520
CERTIFICATE OF PUBLIC CONVENIENCE : A-2010-2176732
UNDER SECTION 1102(A)(3) OF THE PUBLIC :
UTILITY CODE APPROVING A CHANGE :
OF CONTROL OF WEST PENN POWER :
COMPANY AND TRANS-ALLEGHENY :
INTERSTATE LINE COMPANY :

**PETITION TO INTERVENE OF THE
WEST PENN POWER INDUSTRIAL INTERVENORS**

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") regulations, 52 Pa. Code §§ 5.71-5.74, the West Penn Power Industrial Intervenors ("WPPII" or "Petitioner") hereby file this Petition to Intervene in the above-captioned proceeding. In support thereof, WPPII avers as follows:

1. Petitioner is WPPII, which for purposes of this proceeding includes the companies listed on Appendix "A" to this Petition. WPPII will update Appendix "A" through the course of this proceeding, as necessary.

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2. The names and address of WPPII's counsel are:

Susan E. Bruce (Pa. I.D. No. 80146)
Vasiliki Karandrikas (Pa. I.D. No. 89711)
Carl J. Zwick (Pa. I.D. No. 306554)
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WPPII requests that the names and address of its attorneys be added to the Commission's and all parties' service lists. All correspondence in this proceeding from the Commission should be directed to the attention of these attorneys at the address listed above.

3. WPPII is an *ad hoc* coalition of large, energy-intensive industrial and institutional consumers of electricity located within West Penn's service territory. WPPII members purchase service from West Penn primarily under Rate Schedules 30, 40, 41, 44, and 46. Electricity costs comprise a significant portion of the operational costs for all WPPII members. As a result, WPPII has been actively involved in numerous West Penn proceedings.

4. On May 14, 2010, West Penn Power Company d/b/a Allegheny Power ("West Penn"), Trans-Allegheny Interstate Line Company ("TrAILCo"), and FirstEnergy Corp. ("FirstEnergy") (collectively, "Applicants") applied for a Certificate of Public Convenience under Section 1102(a)(3) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(3), requesting, among other things, that the Commission approve a "change in control" of West Penn and TrAILCo ("Merger Application"). *See generally* Merger Application, ¶¶ 16-22. Through the Merger Application, the Applicants request that the control of West Penn and TrAILCo be transferred from Allegheny Energy, Inc. ("Allegheny Energy"), the parent company of West Penn and

TrAILCo, to First Energy, via a merger of Allegheny Energy with Element Merger Sub., Inc. ("Merger Sub"), a wholly-owned subsidiary of FirstEnergy. *See id.*

5. Based upon review of the Merger Application, WPPII is concerned that the shift in control of West Penn and TrAILCo to FirstEnergy may adversely impact retail electricity markets in Pennsylvania. Specifically, although the Applicants assert that the combination of Allegheny, through its generation supplier subsidiary Allegheny Energy Supply Company ("AE Supply"), and FirstEnergy, through its generation supplier subsidiary, FirstEnergy Solutions Corp. ("FES"), will not have anticompetitive effects on Pennsylvania's retail electricity market, WPPII remains concerned that the merger could harm competitive retail markets.

6. Similarly, with respect to wholesale electricity markets, the Applicants acknowledge that, while the proposed merger will not create a dominant company in PJM Interconnection, L.L.C. ("PJM"), as the post-merger FirstEnergy will average less than 15% of the market and be only the third largest supplier in PJM, the proposed merger technically does not clear all market power screens set forth in the Federal Energy Regulatory Commission's ("FERC") merger guidelines. As such, WPPII is concerned that the proposed merger may injure PJM's wholesale electricity markets.

7. In addition to WPPII's concerns with possible anticompetitive effects on electricity markets, WPPII members are concerned with issues regarding the terms and conditions of their electricity service. Specifically, WPPII is concerned that the proposed merger – and, specifically, the transfer of control of West Penn from Allegheny Energy to FirstEnergy – could adversely impact service reliability in the West Penn service territory and may also result in a negative impact on their transmission and distribution rates, going forward. During this time

of serious economic pressures, WPPII therefore questions whether this merger is prudent and in the best interest of West Penn's customers and the public.

8. Accordingly, as some of West Penn's largest customers, WPPII has an interest in this proceeding that is not represented by any other party of record. WPPII thus satisfies the standards for intervention under Section 5.72 of the Commission's regulations. See 52 Pa. Code § 5.72.

WHEREFORE, the West Penn Power Industrial Intervenors respectfully request that the Pennsylvania Public Utility Commission grant this Petition to Intervene and provide the West Penn Power Industrial Intervenors with full-party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By *Vasiliki Karandrikas*
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Counsel to the West Penn Power Industrial Intervenors

Dated: June 14, 2010

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA :
 :
 :
COUNTY OF DAUPHIN :
 :
 :

SS:

Vasiliki Karandrikas, being duly sworn according to law, deposes and says that she is counsel to the West Penn Power Industrial Intervenors, that in this capacity she is authorized to and does make this affidavit for them, and the facts set forth in the foregoing Petition to Intervene are true and correct to the best of her knowledge, information, and belief.

Vasiliki Karandrikas
Vasiliki Karandrikas

SWORN TO and subscribed before
me this 14th day of June, 2010.

Marianne H. Acri
Notary Public

(SEAL)

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Marianne H. Acri, Notary Public
City of Harrisburg, Dauphin County
My Commission Expires June 10, 2014

APPENDIX "A"

WEST PENN POWER INDUSTRIAL INTERVENORS

Air Liquide Industrial U.S. LP

Air Products & Chemicals, Inc.

ATI Allegheny Ludlum Corporation

Ervin Industries

Latrobe Specialty Steel Company

Occidental Chemical Corporation

Sheetz, Inc.

World Kitchen, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Vasiliki Karandrikas

Counsel to the West Penn Power Industrial Intervenors

Dated this 14th day of June, 2010, at Harrisburg, Pennsylvania.