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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 Joint Petition to Intervene of the Met-Ed Industrial Users Group ("MEIUG") and the Penelec Industrial Customer Alliance ("PICA"), 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

Chair Mencorage

Charis Mincavage

Counsel to the Met-Ed Industrial Users Group and the Penelec Industrial Customer Alliance

CM/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

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF WEST PENN
POWER COMPANY doing business as
ALLEGHENY POWER, TRANSALLEGHENY 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
A-2010-2176732

JOINT PETITION TO INTERVENE OF THE MET-ED INDUSTRIAL USERS GROUP AND THE PENELEC INDUSTRIAL CUSTOMER ALLIANCE

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 Met-Ed Industrial Users Group ("MEIUG") and the Penelec Industrial Customer Alliance ("PICA") (collectively, "MEIUG/PICA"), hereby file this Petition to Intervene in the above-captioned proceeding. In support thereof, MEIUG/PICA aver as follows:

1. Petitioners are MEIUG and PICA, which for purposes of this proceeding include the companies listed on Appendix "A" to this Petition. Appendix "A" will be updated through the course of this proceeding, as necessary.

2. The names and address of MEIUG/PICA's counsel are:

Charis Mincavage (Pa. ID No. 82039)
Vasiliki Karandrikas (Pa. I.D. No. 89711)
Carl J. Zwick (Pa. I.D. 306554)
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MEIUG and PICA request that the names and address of their 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. MEIUG and PICA are <u>ad hoc</u> associations of energy-intensive commercial and industrial customers receiving electric service in the Metropolitan Edison Company ("Met-Ed") and Pennsylvania Electric Company ("Penelec") (collectively, the "Companies") service territories. Electricity costs comprise a significant portion of the operational costs for all MEIUG/PICA members. The members of MEIUG/PICA are therefore concerned with issues regarding the terms and conditions of their electricity service and, as a result, have been actively involved in numerous Met-Ed and Penelec proceedings. The Commission's final disposition of the proposed merger of Allegheny Energy, Inc. ("Allegheny Energy") and FirstEnergy Corp. ("FirstEnergy") may directly affect the rates that the Companies impose and the service that the Companies provide on MEIUG/PICA members.
- 4. On May 14, 2010, West Penn Power Company d/b/a Allegheny Power ("West Penn"), Trans-Allegheny Interstate Line Company ("TrAILCo"), and 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, the parent company of West Penn and TrAILCo, to FirstEnergy, 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, MEIUG/PICA are 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 Energy, 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, MEIUG/PICA remain 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, MEIUG/PICA are concerned that the proposed merger may injure PJM's wholesale electricity markets.

- 7. In addition to MEIUG/PICA's concerns with possible anticompetitive effects on electricity markets, MEIUG/PICA members are concerned with issues regarding the terms and conditions of their electricity service. Specifically, MEIUG/PICA members are concerned that the proposed merger could adversely impact service reliability in the Companies' service territories and may also result in a negative impact on their transmission and distribution rates, going forward. Some members have existing reliability issues that are outstanding and unaddressed by the Companies. During this time of serious economic pressures, MEIUG/PICA therefore question whether this merger is prudent and in the best interest of Met-Ed's and Penelec's customers as well as the public.
- 8. Accordingly, as some of the Companies' largest customers, MEIUG/PICA have an interest in this proceeding that is not represented by any other party of record. MEIUG/PICA thus satisfies the standards for intervention under Section 5.72 of the Commission's regulations. See 52 Pa. Code § 5.72.

WHEREFORE, the Met-Ed Industrial Users Group and Penelec Industrial Customer Alliance respectfully request that the Pennsylvania Public Utility Commission grant their Joint Petition to Intervene and provide them with full-party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Main Minesong (Pa. ID No. 82039) Vasiliki Karandrikas (Pa. I.D. No. 89711)

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Counsel to the Met-Ed Industrial Users Group and the Penelec Industrial Customer Alliance

Dated: June 14, 2010

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA

SS:

COUNTY OF DAUPHIN

Charis Mincavage, being duly sworn according to law, deposes and says that she is

counsel to the Met-Ed Industrial Users Group and the Penelec Industrial Customer Alliance, 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.

Charis Mincavage

SWORN TO and subscribed before

me this 14th day of June, 2010.

Marian 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 SECRETARY RAILS

RECEIVED

APPENDIX "A"

MET-ED INDUSTRIAL USERS GROUP AND PENELEC INDUSTRIAL CUSTOMER ALLIANCE

Appleton Papers Inc.

East Penn Manufacturing Company

Electralloy, a G.O. Carlson, Inc., Co.

Knouse Foods Cooperative, Inc.

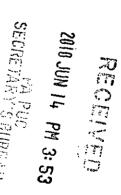
The Plastek Group, Inc.

The Procter & Gamble Paper Products Co.

Royal Green LLC

Sheetz, Inc.

University of Pittsburgh



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).

VIA E-MAIL AND FIRST-CLASS MAIL

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Charis Mincavage

Counsel to the Met-Ed Industrial Users Group and Penelec Industrial Customer Alliance

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