

March 26, 2012

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
PO Box 3265  
Harrisburg, PA 17105-3265

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**MAR 26 2012**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

Dear Secretary Chiavetta:

Re: M-00930383 – Nuclear Decommissioning Annual Report

This Nuclear Decommissioning Annual Report (“Report”) is being submitted by FirstEnergy Corp. on behalf of its utility subsidiaries, Metropolitan Edison Company (“Met-Ed”), and Pennsylvania Electric Company (“Penelec”) pursuant to the above Pennsylvania Public Utility Commission directive. The uniform reporting spreadsheet contains the calendar year 2011 decommissioning funding status for the Three Mile Island Unit No. 2 (“TMI Unit #2”).

If you have any questions regarding this report, please contact Joe Marulli at (330) 384-5287.

Very truly yours,



Weizhong Wang  
Director, Investment Management

Enclosure

cc: Annunciata E. Marino  
Bureau of Fixed Utility Services

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MAR 26 2012

NUCLEAR DECOMMISSIONING TRUST FUND REPORT TO THE PAPUC (Values in Thousands)

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

(1) COMPANY NAME	(2) UNIT - DATE COMMERCIAL	(3) BEGIN BAL	(4) AMOUNT FUNDED	(5) AMOUNT GROWTH Int/Div	(6) ENDING BAL (Current)	(7) DECOM DATE	(8) YRS REMAIN	(9) EST DECOM EXPENSE (Current)	(10) CURRENT SHORTFALL ((9) - (6))	(11) CURRENT SHORTFALL ((10) / (9))	EST FUT FUND BAL	EST FUT EXPENSE (a)	EST FUT SHORTFALL ((13) - (12))	(15) EST YRLY SHORTFALL ((14) * a.f.)
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METROPOLITAN EDISON COMPANY														
<u>TMI UNIT #2 - 12/78</u>	1989				75	2009	20	129,700	129,625	99.9%	747	415,965	415,218	11,288
R-860384	1990	75	16	6	97	2014	24	137,482	137,385	99.9%	12,700	556,656	543,956	10,705
R-860384	1991	97	286	10	392	2014	23	143,743	143,351	99.7%	97,474	549,062	451,588	9,609
R-860384	1992	392	1,900	67	2,359	2014	22	150,000	147,641	98.4%	454,337	540,531	86,194	1,986
R-00922314 (b)	1993	2,359	38,407	1,650	42,416	2014	21	150,000	107,584	71.7%	449,735	509,935	60,199	1,505
R-00922314	1994	0	0	0	0	2014	20	0	0	0.0%	0	0	0	0
R-00922314	1995	0	3,868	110	3,978	2014	19	164,346	160,368	97.6%	302,927	454,523	151,596	4,161
R-00922314	1996	3,978	7,275	1,156	12,409	2014	18	173,385	160,976	92.8%	303,671	454,523	150,852	4,437
R-00922314	1997	12,409	7,937	3,492	23,838	2014	17	182,921	159,083	87.0%	311,730	454,523	142,793	4,630
R-00922314	1998	23,838	7,937	5,025	36,800	2014	16	228,000	191,200	83.9%	330,982	427,040	96,058	3,444
R-00974008	1999	36,800	9,483	4,237	50,520	2014	15	234,500	183,980	78.5%	335,566	422,321	86,755	3,452
R-00974008	2000	50,520	8,693	(9)	59,204	2014	14	243,000	183,796	75.6%	324,402	420,797	96,396	4,275
R-00974008	2001	59,204	7,112	(2,713)	63,603	2014	13	251,222	187,619	74.7%	302,163	418,302	116,140	5,766
R-00974008	2002	63,603	12,644	(7,106)	69,141	2014	12	259,662	190,521	73.4%	287,715	415,728	128,013	7,156
R-00974008	2003	69,141	0	13,605	92,229	2014	11	270,154	177,925	65.9%	305,464	415,889	110,425	6,996
R-00974008	2004	92,229	9,483	8,227	109,938	2014	10	379,094	269,155	71.0%	308,295	561,151	252,856	18,301
R-00974008	2005	109,938	9,483	4,579	124,001	2014	9	389,288	265,287	68.1%	270,711	523,337	252,626	22,332
R-00974008	2006	124,001	9,483	13,879	147,362	2014	8	402,300	254,937	63.4%	234,501	523,337	288,836	29,583
R-00974008	2007	147,362	3,392	7,820	158,574	2014	7	415,747	257,173	61.9%	239,887	523,337	283,450	33,781
R-00974008	2008	158,574	2,848	(35,658)	125,764	2014	6	429,643	303,879	70.7%	181,464	523,337	341,874	49,559
R-00974008	2009	125,764	2,848	20,827	149,440	2034	25	434,313	284,873	65.6%	620,871	868,333	247,462	4,649
R-00974008	2010	149,440	2,848	15,688	167,975	2034	24	446,517	278,541	62.4%	661,828	868,333	206,505	4,130
R-00974008	2011	167,975	0	12,701	180,677	2034	23	459,064	278,387	60.6%	529,261	868,333	339,072	8,623

NOTES (Market Value, Dollars in Thousands)		
1- Earnings Rate for cols. (12) and (15) TMI-2 calculations:	4.58%	(a) - Decommissioning estimates for 1990-1994 (columns (9) & (13)) reflect cost levels based on the NRC filing 7/26/90 plus nonradiological amounts. Estimates through 2003 are based on a 1995 site specific study. 2004-2008 reports based on site specific study dated September 2004. Estimates for 2010 are based on a site specific study dated January 2009, which accounts for a 20 year license extension, coincident with TMI1.
2- Escalation Rate for cols. (13) TMI-2 calculation:	2.81%	(b) - For Met Ed, TMI-2: Funding deposits for 1993 include amounts contributed by stockholders. Nonradiological costs of removal are included in EST DECOM EXPENSE (column 9) and the calculation of columns 10 through 15.
3- a.f. => Annuity Factor (column (15))		(c) - For Penelec, TMI-2: Funding deposits for 1993 include amounts contributed by stockholders.

NUCLEAR DECOMMISSIONING TRUST FUND REPORT TO THE PAPUC (Values in Thousands)

(1) COMPANY NAME UNIT - DATE COMMERCIAL Docket	(2) YR	(3) BEGIN BAL	(4) AMOUNT FUNDED	(5) GROWTH Int/Div	(6) ENDING BAL {Current}	(7) DECOM DATE	(8) YRS REMAIN	(9) EST DECOM EXPENSE {Current}	(10) CURRENT SHORTFALL {(9) - (6)}	(11) CURRENT SHORTFALL {(10) / (9)}	(12) EST FUT FUND BAL	(13) EST FUT EXPENSE (a)	(14) EST FUT SHORTFALL {(13) - (12)}	(15) EST YRLY SHORTFALL {(14) * a.f.}
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PENNSYLVANIA ELECTRIC COMPANY

<u>TMI UNIT #2 - 12/78</u>	1989				261	2009	20	64,850	64,589	99.6%	2,947	207,983	205,036	5,574
	1990	261	37	18	316	2014	24	68,741	68,425	99.5%	3,352	278,328	274,976	5,411
	1991	316	42	17	375	2014	23	71,871	71,496	99.5%	45,805	274,529	228,724	4,867
	1992	375	874	41	1,289	2014	22	75,000	73,711	98.3%	71,550	270,265	198,715	4,580
(c)	1993	1,289	19,125	819	21,233	2014	21	75,000	53,767	71.7%	73,806	254,967	181,161	4,530
	1994	0	0	0	0	2014	20	0	0	0.0%	0	0	0	0
	1995	0	0	0	0	2014	19	78,772	78,772	100.0%	0	165,961	165,961	5,979
	1996	0	0	0	0	2014	18	83,104	83,104	100.0%	0	168,354	168,354	4,952
	1997	0	0	0	0	2014	17	87,675	87,675	100.0%	0	170,783	170,783	5,538
	1998	0	0	0	0	2014	16	114,000	114,000	100.0%	136,551	213,520	76,969	2,760
	1999	320	49,500	1,511	51,331	2014	15	117,250	65,919	56.2%	141,623	211,161	69,538	2,767
	2000	51,331	0	52	51,382	2014	14	121,500	70,118	57.7%	132,490	210,399	77,908	3,455
	2001	51,382	0	(1,546)	49,837	2014	13	125,611	75,774	60.3%	120,099	209,151	89,053	4,422
	2002	49,837	0	(3,911)	45,926	2014	12	129,977	84,052	64.7%	103,434	208,098	104,664	5,851
	2003	45,926	0	6,989	52,915	2014	11	135,077	82,162	60.8%	111,378	207,945	96,566	6,118
	2004	52,915	0	3,528	56,443	2014	10	189,547	133,104	70.2%	111,032	280,576	169,543	12,271
	2005	56,443	0	1,844	58,288	2014	9	194,644	136,356	70.1%	92,934	261,669	168,735	15,102
	2006	58,288	0	6,058	64,345	2014	8	201,150	136,804	68.0%	122,904	261,669	138,764	14,366
	2007	64,345	6,636	3,029	74,011	2014	7	207,873	133,862	64.4%	133,102	261,669	128,567	15,337
	2008	74,011	8,356	(16,909)	65,459	2014	6	214,822	149,363	69.5%	100,388	261,669	161,280	23,453
	2009	65,459	7,817	11,209	84,485	2034	25	217,156	132,671	61.1%	330,669	434,167	103,498	1,993
	2010	84,485	0	7,721	92,206	2034	24	223,258	131,052	58.7%	354,471	434,167	79,695	1,617
	2011	92,206	0	8,833	101,039	2034	23	229,532	128,493	56.0%	278,810	434,167	155,356	4,079

NOTES (Market Value, Dollars in Thousands)

- |  |       |   |
|--|-------|---|
| 1- Earnings Rate for cols. (12) and (15) TMI-2 calculations: | 4.32% | (a) - Decommissioning estimates for 1990-1994 (columns (9) & (13)) reflect cost levels based on the NRC filing 7/26/90 plus nonradiological amounts. Estimates through 2003 are based on a 1995 site specific study.        |
| 2- Escalation Rate for cols. (13) TMI-2 calculation:         | 2.81% | 2004-2008 report based on site specific study dated September 2004. Estimates for 2010 are based on a site specific study dated January 2009, which accounts for a 20 year license extension, coincident with TMI1.         |
| 3- a.f. => Annuity Factor (column (15))                      |       | (b) - For Met Ed, TMI-2: Funding deposits for 1993 include amounts contributed by stockholders. Nonradiological costs of removal are included in EST DECOM EXPENSE (column 9) and the calculation of columns 10 through 15. |
|  |       | (c) - For Penelec, TMI-2: Funding deposits for 1993 include amounts contributed by stockholders.  |

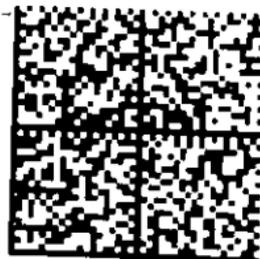
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