

**Communications Protocols for the
FirstEnergy Ohio Utilities'
CBP Auctions**

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1. INTRODUCTION

These Communications Protocols apply to the competitive bidding process (“CBP”) auctions for The Cleveland Electric Illuminating Company, The Toledo Edison Company, and Ohio Edison Company (hereafter referred to as “the FirstEnergy Ohio Utilities”) to procure supply for the provision of Standard Service Offer supply (“SSO Supply”) for all of their retail customers that take retail generation service from the FirstEnergy Ohio Utilities.

The Communications Protocols in this document are intended to promote a fair, open, transparent, objective, and non-discriminatory process for the CBP auctions to procure supply for SSO customers of the FirstEnergy Ohio Utilities. These protocols also intend to protect proprietary information of participants and information that, should it be released, would be detrimental to the outcome of the auction process or future competitive bidding processes.

Unless noted otherwise, all capitalized terms are defined in the Glossary available on the Information Website.

These protocols elaborate upon the means by which confidentiality is to be maintained by all parties through adherence to the procedures in this document. Should the Auction Manager recognize that additional information should be kept confidential, the Auction Manager will establish additional procedures in keeping with the principles provided in this document and inform the FirstEnergy Ohio Utilities, the PUCO and PUCO Staff, the PUCO Consultant, and Bidders in a timely manner.

This document is organized as follows:

- Section 2 summarizes the objectives of this document.
- Section 3 describes protocols regarding communications within the FirstEnergy Ohio Utilities, including any affiliate of the FirstEnergy Ohio Utilities, and between the FirstEnergy Ohio Utilities and Bidders.
- Section 4 summarizes information that may be communicated with the general public, including the media, and the means by which that information is disseminated.
- Section 5 addresses Bidder Communications Protocols, including communications among Bidders and between the Auction Manager and Bidders.
- Section 6 summarizes Communications Protocols with the PUCO, including communications between the PUCO and the Auction Manager, between the PUCO and the FirstEnergy Ohio Utilities, and disclosure of confidential information.
- Appendix A includes a confidentiality agreement to be signed by any party other than the Auction Manager or Bidders who may have access to proprietary and confidential information.

2. OBJECTIVES

This document and the procedures it describes promote four main objectives:

- The first objective is to establish a fair and equitable process for all Bidders by ensuring all Bidders have equal access to the same information necessary to evaluate the bidding opportunity and to prepare their bids in a timely manner.
- The second objective is to take all reasonable precautions that any information generated by the auction process that could harm the competitive position of Bidders or the FirstEnergy Ohio Utilities, if released, is kept confidential.
- The third objective is to take all reasonable precautions that confidential information is provided only to those persons to whom it is deemed necessary for the conduct and management of the auction process.
- The fourth objective is to ensure that information that, if released, could harm the competitiveness of future competitive bidding processes is kept confidential from all entities including Bidders.

These objectives will be accomplished by following two guiding principles. The first is that there will be one communication point for Bidders: all communications to prospective and actual Bidders will be directed through the Auction Manager. The second guiding principle is that the Auction Manager will distribute and disseminate information equally and fairly to all prospective and actual Bidders. These two guiding principles facilitate equal access to the same information for all Bidders. Only the Auction Manager responds to inquiries from Bidders and information is disseminated to all Bidders by or under the supervision of the Auction Manager.

The Auction Manager also will ensure that information generated by the implementation of the auction that could harm the competitive position of Bidders, if released, is kept confidential by those who have access to such information.

3. THE FIRSTENERGY OHIO UTILITIES AND AFFILIATES

3.1 Internal Communications

The FirstEnergy Ohio Utilities will designate individuals to work on the auction process. These individuals directly or indirectly will not have communication with, or exchange information with, any individuals of an affiliate of the FirstEnergy Ohio Utilities that may bid in the auction process where such communication or information is related directly or indirectly to this auction process.

3.2 Communications with Bidders

The FirstEnergy Ohio Utilities will not communicate with Bidders prior to the selection of winning bids. When the Auction Manager informs the FirstEnergy Ohio Utilities about the prices and tranches of the winning bids and the identity of winning Bidders, representatives from the FirstEnergy Ohio Utilities then will communicate with the winning Bidders in order to execute the necessary documents.

If a Bidder attempts to contact the FirstEnergy Ohio Utilities regarding the auction process by phone call, email, fax, or other means, the FirstEnergy Ohio Utilities will direct the Bidder to the Information Website and/or to the Auction Manager.

3.3 Part 1 Application Process

For the Part 1 Application process, the Auction Manager will need to provide the names of applicants to the FirstEnergy Ohio Utilities' credit representatives for purposes of confirming the applicants' credit requirements.

3.4 Part 2 Application Process

For the Part 2 Application process, the Auction Manager will need to provide the aggregate eligibility and other information from the Part 2 Applications to the FirstEnergy Ohio Utilities with the names of applicants redacted. Following the Part 2 Application process, the Auction Manager will provide to the FirstEnergy Ohio Utilities the name and initial eligibility of each Registered Bidder.

3.5 Communication of the Bid Selection Criteria

No later than one business day before bids are due, the FirstEnergy Ohio Utilities will provide the Auction Manager with details concerning any updates to the pre-determined bid selection criteria. The pre-determined bid selection criteria will be price-based, such as a reservation price.

3.6 Auction Results

If there are winning bid(s), the Auction Manager will: (a) inform the FirstEnergy Ohio Utilities (as well as the PUCO and PUCO Consultant) about the winning bids and identify the winning Bidders, and (b) notify the winning Bidders. The FirstEnergy Ohio Utilities will contact the winning Bidders to execute necessary documents. The Auction Manager also will inform any Bidders who did not win tranches that they have not been awarded any tranches in the auction process.

If there are no winning bid(s), the Auction Manager will inform the FirstEnergy Ohio Utilities (as well as the PUCO and PUCO Consultant) there are no bids that met the criteria for a winning bid.

Any paper copies of the bidding results will be secured in the Auction Manager's office.

3.7 Post-Auction Reports

Within one week of the conclusion of the auction process, the Auction Manager will provide to the FirstEnergy Ohio Utilities a comprehensive written report regarding the auction process.

The PUCO may receive from the PUCO Consultant a post-auction report in addition to the CBP Manager's comprehensive report. The Auction Manager shall review the PUCO Consultant's post-auction report in un-redacted, draft form in order to provide comments prior to the final version. The FirstEnergy Ohio Utilities shall receive the PUCO Consultant's report and provide comments to ensure accuracy.

4. GENERAL PUBLIC AND MEDIA

While bidding is in progress, there is to be no communication with the media or the public other than notification when the bidding begins. After the auction process is completed, results are determined, and Bidders have been notified, all media inquiries will be forwarded to the FirstEnergy Ohio Utilities.

4.1 The Information Website

The central source of information made available publicly and to Bidders is the Information Website. The Auction Manager will manage the information flow on the Information Website and will be designated on the Website as the contact person for any questions or inquiries from parties. Any party will have access to the public sections of the Information Website. The Information Website also will have restricted, non-public sections that will be accessible only to Applicants.

4.2 Registered Users

If a party wishes to receive notices and updates regarding public information and new postings to the Information Website, then the party can register through the Information Website to become a Registered User. (Note that not all Registered Users become Registered Bidders, but a Bidder that would like to become a Registered Bidder must first register to become a Registered User so they can receive notices and updates.)

Any information the Auction Manager has concerning the auction process that is relevant and that can be disclosed publicly will be made available equally to all Registered Users in a timely manner. The method of such communication likely will be via the Information Website and/or emails to Registered Users using the BCC email field so identification of Registered Users is not disclosed to other Registered Users.

4.3 Press Releases

The FirstEnergy Ohio Utilities and/or the Auction Manager may issue one or more press releases or may place news items in the trade press with the intent to disseminate information about the auction process in an efficient, fair, and timely manner.

4.4 Answering Inquiries from the General Public or Media

Inquiries from the general public or the media to the Auction Manager will be directed to the Information Website.

5. BIDDERS

5.1 Communications Among Bidders

Pursuant to the auction rules, Bidders are prohibited from communicating with each other in ways that would compromise the integrity and competitiveness of the auction process. Sanctions will be applied if these rules are violated.

5.2 Communications between the Auction Manager and Bidders

The central source of information made available to Bidders is the Information Website. The Website will facilitate making information available equally to Bidders in a timely manner.

Bidders will be requested to become Registered Users to receive ongoing information about the auction process. As discussed above, once registered through the Information Website, Registered Users will receive notifications from the Auction Manager about updates to the auction process and to the Information Website.

If the Auction Manager receives an inquiry from a party and prepares a response that would be relevant for other parties, the Auction Manager will ensure the information will be made available equally to all Registered Users in a timely manner and will post the information on the Information Website without revealing the identity of parties.

In addition to posting information to the Information Website, the Auction Manager may contact Bidders directly in order to seek or provide information about the auction process in a way that does not advantage any Bidder.

Any communications from the Auction Manager to a Bidder will not reveal the identity of other Bidders.

5.3 Frequently Asked Questions

Among other information and resources on the Information Website, there will be a FAQ (frequently asked questions) section with posted questions and answers. As inquiries are received, they will be converted into a FAQ and posted on the Information Website without revealing the identity of the party posing the inquiry.

Inquiries to be answered by the FirstEnergy Ohio Utilities will be forwarded by the Auction Manager to the FirstEnergy Ohio Utilities. Inquiries to be answered by the Auction Manager will be forwarded to the FirstEnergy Ohio Utilities as necessary with a draft response. Any inquiry or draft response forwarded by the Auction Manager to the FirstEnergy Ohio Utilities will not identify the party posing the inquiry. Both the FirstEnergy Ohio Utilities and the Auction Manager will review any inquiry and response before the FAQ is posted to the Information Website.

5.4 Bidding Process

During the auction, the Auction Manager, the PUCO, the PUCO's consultant, if any, and FirstEnergy Ohio Utilities' personnel may monitor the bidding process.

The Auction Manager will ensure the bids submitted by Bidders conform to the rules of the auction process.

The Bidding Rules and pre-determined bid selection criteria will be applied to determine which bids, if any, are winning bids.

5.5 Limitations on Disclosures by Bidders

Bidders are not allowed to disclose they are participating in a CBP auction and winning Bidders are not allowed to disclose that they have won any tranches in a CBP auction until the PUCO publicly reports the results of the CBP auction. Such limitation on public disclosure by bidders is waived if disclosure is required by law.

6. PUBLIC UTILITIES COMMISSION OF OHIO

6.1 Identification of the PUCO Consultant

The PUCO may identify up to three individuals who will serve as the PUCO Consultant and may be onsite at the offices of the Auction Manager during the bidding process. Other than information that is accessible by being onsite, the PUCO Consultant will not be forwarded confidential information electronically or in hardcopy format. Those individuals are required to abide by the Communication Protocols and sign the confidentiality agreement in Appendix A.

6.2 Communications with the Auction Manager

During the bidding process, the identity of Bidders, prices, and the number of tranches each winning Bidder has won will be kept confidential. This information may be released to the PUCO after the auction results are finalized.

6.3 Communications with the FirstEnergy Ohio Utilities

The PUCO may communicate with the FirstEnergy Ohio Utilities regarding the auction process. However, the FirstEnergy Ohio Utilities will not disclose any proprietary information until after the final round of the auction is completed and Bidders are informed of the results of the auction.

6.4 Communications with Bidders

The PUCO will not communicate with Bidders about the auction process prior to the determination of winning bids. If a Bidder attempts to contact the PUCO by phone call, email, fax, or other means, the PUCO will direct the Bidder to the Information Website and/or to the Auction Manager.

6.5 Information on Auction Participation

In order to maintain confidential and proprietary information provided by Bidders as part of the auction process, the identity of all Bidders that submitted Part 1 and/or Part 2 applications in the auction and the indicative offers of Bidders will be kept confidential until released publicly by the PUCO. The PUCO may elect to keep these data confidential at its sole discretion.

6.6 Round-by-Round Bids

Actual round-by-round bids by Bidders will be kept confidential pursuant to the confidentiality provisions of the Bidding Rules and the Master SSO Supply Agreement.

7. APPENDIX A

CONFIDENTIALITY AGREEMENT

I acknowledge that I have read and understand the Communications Protocols and obligations regarding treatment of confidential information related to the CBP auctions to procure generation supply for SSO customers of the FirstEnergy Ohio Utilities.

I certify that I have abided by its terms and that I agree to continue to abide by its terms and conditions. I acknowledge that I may be subject to potential injunctive action to enforce this confidentiality agreement, as well as liability from parties participating in the CBP auctions to procure supply for SSO customers of the FirstEnergy Ohio Utilities should I be found in violation of this confidentiality agreement.

Company

Signed by

Date

Please return the signed form to the Auction Manager at FEOUAuctionManager@crai.com to:

Attn: Brad Miller, Vice President / Auction Manager
CRA International, Inc.
John Hancock Tower
200 Clarendon Street
Boston, MA 02116-5092
Phone: 617.425.3384
FEOUAuctionManager@crai.com