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FIRSTENERGY CORP
Form 35-CERT
May 30, 2003

SEC FILE NO. 70-7727
SEC FILE NO. 70-8593
SEC FILE NO. 70-9793
SEC FILE NO. 70-9941

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

CERTIFICATE PURSUANT TO
RULE 24
OF PARTIAL COMPLETION OF
TRANSACTIONS

FirstEnergy Corp.

In the matter of :
FirstEnergy Corp. : Certificate Pursuant
: to Rule 24 of Partial
: Completion of
: Transactions
SEC File No. 70-7727 :
SEC File No. 70-8593 :
SEC File No. 70-9793 :
SEC File No. 70-9941 :
(Public Utility Holding Company Act :
of 1935) :

TO THE MEMBERS OF THE SECURITIES AND EXCHANGE COMMISSION:

The undersigned, FirstEnergy hereby certifies pursuant to Rule 24 of the Rules and Regulations under the Public Utility Holding Company Act of 1935 (the Act), that certain of the transactions proposed in the Applications, as amended, filed in SEC File No. 70-7727, 70-8593, 70-9793 and 70-9941 respectively, have been carried out in accordance with the Commission's Orders dated October 29, 2001, December 19, 2000, December 22, 1997, November 16, 1995, June 14, 1995, December 28, 1994, September 12, 1994, December 18, 1992, and June 26, 1990 with respect to the transactions proposed in the Application, as amended, in SEC File No. 70-7727, and the Commission's Orders dated December 26, 2000, December 22, 1997, November 5, 1997, March 6, 1996, January 19, 1996 and July 6, 1995 with respect to the transactions proposed in the Application, as amended, in SEC File

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No. 70-8593, as follows:

1. Guarantees Issued

As successor-by-merger to GPU, FirstEnergy assumed all obligations of GPU under the following guarantees, which were outstanding during the period January 1, 2003 through March 31, 2003:

(a) Guarantee dated September 1, 1999 for up to \$21.3 million in connection with the conversion of a construction loan to a term loan for the Termobarranquilla (TEBSA) project in Colombia. This guarantee expires four years after the loan conversion date (September 2003).

(b) Guarantee of the obligations of GPUI Colombia Ltd., and International Power Advisors, Inc. (the Operators), both of which are subsidiaries of GPU Power, Inc. (GPU Power), which is a wholly owned subsidiary of FirstEnergy, under the operations and maintenance agreement (O&M Agreement) in the TEBSA project. The liability of the Operators under the O&M Agreement is \$6.0 million.

(c) Guarantee to General Electric Capital Corporation of amounts up to the lesser of six months average rent (approximately \$8.1 million) or \$10 million, to the extent Lake Cogen, Ltd. fails to pay rent when due under the terms of the project lease or chooses not to renew the lease after its initial 11-year term, which expires in August 2004. Lake Cogen, Ltd. is a former subsidiary of GPU International, Inc., which was sold by GPU to Aquila Energy Corporation (Aquila) in December 2000. Aquila has indemnified FirstEnergy for any losses, which FirstEnergy may incur under this guarantee.

2. Investments by FirstEnergy in Exempt Wholesale Generators

and Foreign Utility Companies, and Percentage of Equity Ownership

Set forth below is a summary of the direct or indirect investments as defined in SEC Rule 53(a) by FirstEnergy, as of March 31, 2003 in EWGs and foreign utility companies (FUCOs), as well as the percentage of equity ownership.

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Associate Company -----	FUCO or EWG ----	First Energy's Investment at 3/31/03 (\$000)** -----	First Energy's % Equity Owner- ship -----	Owners not affili FirstEnergy ----- Name of Entity -----
Empresa Guaracachi S.A.	EWG	30,151*	50.001%	AFP Prevision BBV AFP Futuro de Bolivia Fore

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Guaracachi America, Inc.	EWG	55,450*	100%	Not Applicable
GPU Power, Inc.	EWG	155,705	100%	Not Applicable
EI International	EWG	1,476*	100%	Not Applicable
GPUI Colombia, Ltda.	EWG	2,048*	100%	Not Applicable
Midlands Electricity plc (Midlands)	FUCO	64,200	20.1%	Aquila, Inc.
Termobarranquilla S.A.	EWG	92,156*	28.67%	ABB Energy Ventures, Inc. Lancaster Steel Distral Group Corp. Electrica De la Costa Atlantica
EI Barranquilla, Inc.	EWG	47,639*	100%	Not Applicable
Barranquilla Lease Holdings, Inc.	EWG	46,580*	100%	Not Applicable
Los Amigos Leasing Company, Ltd.	EWG	12*	100%	Not Applicable
International Power Advisors, Inc.	EWG	3,962*	100%	Not Applicable

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Associate Company	FUCO or EWG	First Energy's Investment at 3/31/03 (\$000)**	First Energy's % Equity Ownership	Owners not affiliated with FirstEnergy Name of Entity
Empresa Distribuidora Electrica Regional, S.A. (EMDERSA)	FUCO	280,841	100%	Not Applicable
FE Generation Corp.	EWG	807,635	100%	Not Applicable

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In March 2002, FirstEnergy announced that it had finalized terms of a joint venture agreement with Aquila, Inc. (formerly Utilicorp United) for Aquila to acquire partial ownership of Avon. Accordingly, on May 8, 2002 Aquila acquired a 79.9 percent interest in Avon for approximately \$1.9 billion including the assumption of \$1.7 billion of debt. FirstEnergy (through GPU Electric) and Aquila together own all of the outstanding shares of Avon through a jointly owned subsidiary, Aquila Sterling Holdings, Inc. (ASH) with each company having a 50 percent voting interest. FirstEnergy's investment in ASH is held by EI UK.

In 1999, GPU Electric acquired Empresa Distribuidora Electrica Regional, S.A. (Emdersa), an Argentine holding company, for \$375 million. The acquisition was financed at that time through the issuance of commercial paper by GPU Capital and a \$50 million capital contribution.

All of the acquisition debt associated with FirstEnergy's ownership of the above mentioned FUCOs has been retired.

3. Description of Exempt Entities in Which There are Funds Invested

FirstEnergy Generation Corp.

FirstEnergy Generation, incorporated in October 2000, is a wholly owned subsidiary of First Energy Solutions. FirstEnergy Generation operates fossil fuel plants and a pumped storage plant, most of which is leased from the FirstEnergy Solutions companies and sells all of its output at wholesale prices to FirstEnergy Solutions.

Empresa Guaracachi, S.A.

In July 1995, GPU Power, through Guaracachi America, Inc. acquired from the Bolivian Government a 50.001% interest in Empresa Guaracachi, S.A. (EGSA). EGSA has an aggregate capacity of 338 MW of natural gas-fired and oil-fired generation facilities located in Bolivia in and around the cities of Santa Cruz, Sucre and Potosi which represents more than one-third of Bolivia's generation capacity.

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Termobarranquilla, S.A.

In October 1995, GPU Power, through EI Barranquilla, Inc., acquired a 28.67% interest in Termobarranquilla, S.A., Empresa de Servicios Publicos (TEBSA). TEBSA has an aggregate capacity of 895 MW of gas-fired generation facilities located near Barranquilla, Colombia. Electricity generated by these facilities is sold to Corporacion Electrica de la Costa Atlantica under a long-term (20.5 years) contract.

Barranquilla Lease Holdings, Inc. and Los Amigos Leasing Company, Ltd.

Barranquilla Lease Holdings, Inc., a subsidiary of GPU Power, through its wholly owned subsidiary Los Amigos Leasing Company, Ltd. (Leaseco), owns and leases to TEBSA equipment in generation facilities constructed and operated by

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TEBSA. The lease provides for TEBSA to make monthly lease payments to Leaseco through September 2011.

Midlands

Midlands distributes electricity to 2.3 million customers in England in an area with a population of five million. Midlands also owns an independent power production business that generates electricity in England and internationally.

Emdersa

Emdersa owns three electric distribution companies that serve three provinces in northwest Argentina. The three distribution companies serve approximately 335,000 customers throughout a service territory of approximately 124,300 square miles. The provinces have a total population of about 1.5 million.

4. Services Obtained From Associated Companies

FirstEnergy Generation received administrative and construction services from associate companies (primarily FirstEnergy Service Company) in the amount of \$16,607,442 for the three months ended March 31, 2003. FirstEnergy Service Company also provided administrative services to GPU Power and GPU Electric in the amount of \$215,774 and \$110,714 respectively, for the three months ended March 31, 2003 in support of operations and management activities.

5. Services Provided to Associated Companies

A description of services provided by FirstEnergy Generation and GPU Power to associate companies during the period January 1, 2003 through March 31, 2003 will be filed separately under a request for confidential treatment under Rule 104(b). GPU Electric did not provide any services to associate companies during this reporting period.

In accordance with the Commission's Order dated November 5, 1997 in SEC File No. 70-8593, and the Order dated October 29, 2001 in SEC File No. 70-9793 and 70-9941 the following is reported:

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a) FirstEnergy's aggregate investment includes all amounts invested, or commitments to be invested, in foreign utility companies (FUCOs) and exempt wholesale generators (EWGs), for which there is recourse, directly or indirectly, to the registered holding company. Accordingly, FirstEnergy's aggregate investment as of March 31, 2003 is as follows:

(In Thousands)

FUCOs

Midlands Electricity plc	\$ 64,200
Emdersa	280,841

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Subtotal	----- 345,041 -----
EWGs	

FE Generation Corp.	\$ 807,635
GPU Power, Inc.	155,705

Subtotal	963,340

Aggregate Investment in FUCOs and EWGs	\$1,308,381 =====

b) As of March 31, 2003 FirstEnergy's Aggregate Investment in FUCOs and EWGs (in thousands) is \$1,308,381.

Aggregate Investment as a Percentage of FirstEnergy and Subsidiary Companies:

Total capitalization	\$ 21,549,917	6.1%
Net utility plant	\$ 12,977,054	10.1%
Total consolidated assets	\$ 33,518,747	3.9%
Market value of common equity	\$ 9,375,543	14.0%

c) FirstEnergy and Subsidiary Companies Consolidated Capitalization Ratios as of March 31, 2003:

	Amount (000's)	%
	-----	-
Common equity	\$ 7,262,260	33.7
Cumulative preferred stock	355,392	1.6
Subsidiary-obligated mandatory redeemable preferred securities	409,971	1.9
Subsidiary-obligated trust preferred securities	-	-
Long-term debt	12,666,967	58.8
Notes payable	855,327	4.0
	-----	-----
Total capitalization	\$ 21,549,917	100.0%
	=====	=====

d) Market-to-book ratio of FirstEnergy and Subsidiary Companies common stock at March 31, 2003:

Closing Market Price per Share	\$ 31.50
Book Value per Share	\$ 24.64
Market-to Book Ratio of Common Stock	127.8%

e) Analysis of Growth in Retained Earnings for FirstEnergy and Subsidiary Companies:

(In Thousands)

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Retained Earnings as of 03/31/03	\$1,842,283
Retained Earnings as of 12/31/02	1,711,457

Growth in Retained Earnings	\$ 130,826
	=====

Analysis of Growth in Retained Earnings:

Income contribution from regulated utility companies	\$ 259,344
Income contribution from FUCOs/EWGs	16,574
Income contribution from all other companies	6,536
FirstEnergy Holding and Service companies	(41,469)
Cash dividends declared on common stock	(110,159)

Growth in Retained Earnings	\$ 130,826
	=====

f) Statements of Operations for the period ended March 31, 2003 for the following Project Parents and Exempt Entities will be filed separately under a request for confidential treatment under Rule 104 (b):

Termobarranquilla, S.A.
 GPUI Colombia, Ltda.
 Empresa Guaracachi, S.A.
 FirstEnergy Generation Corp.
 Emdersa

SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, THE UNDERSIGNED COMPANY HAS DULY CAUSED THIS CERTIFICATE TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED THEREUNTO DULY AUTHORIZED.

FirstEnergy Corp.

By:/s/ Harvey L. Wagner
 Harvey L. Wagner

 Vice President, Controller
 and Chief Accounting Officer

Date: May 30, 2003