

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

July 23, 2003

In Reply refer to:
Docket No. ER03-453-000

Swidler Berlin Shereff Friedman, L.L.P.
ATTN: Kenneth G. Jaffe, Esquire
Attorney for Metropolitan Edison Company
and Pennsylvania Electric Company
3000 K Street, N.W. Suite 300
Washington, D.C. 20007-5116

Attention: Kenneth G. Jaffe, Esquire
Attorney for Pennsylvania Electric Company and Metropolitan
Edison Company

Reference: Letter Order Accepting Uncontested Settlement

Dear Mr. Jaffe:

1. On May 29, 2003, you filed a settlement agreement between West Penn Power Company and The Potomac Edison Company, both doing business as Allegheny Power, and Metropolitan Edison Company and Pennsylvania Electric Company (together, referred to as the "FirstEnergy Companies"). Joint Initial Comments of the Parties were filed with the Commission in support of the settlement on June 17, 2003. On July 2, 2003, the Settlement Judge certified the settlement to the Commission as uncontested.
2. The subject settlement is in the public interest and is hereby approved. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of Section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).
3. Within thirty (30) days from the date of this letter order, Allegheny will pay the FirstEnergy Companies the amount of \$900,000 via wire transfer pursuant to the schedule agreed upon in the settlement agreement. Within fifteen (15) days

after making the last of such payments, Allegheny shall file with the Commission a compliance report showing the amounts refunded and the periods covered by each payment. Allegheny shall furnish copies of the report to the affected customers and to each state commission within which whose jurisdiction the wholesale customers distribute and sell electric energy at retail.

4. This letter terminates Docket No. ER03-453-000. A new subdocket will be assigned upon receipt of the required compliance refund report.

By direction of the Commission.

Linda Mitry
Acting Secretary

cc: All Parties

Secretary
Pennsylvania Public Utility Commission
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