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Randy Scilla
Assistant Treasurer

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March 28, 2002

PY-CEI/NRR-624L
DB-No.-2774
BV-No. L-02-031

Mr. Ira Dinitz
U.S. Nuclear Regulatory Commission
Office of Nuclear Reactor Regulation
Washington, D.C. 20555

Dear Mr. Dinitz;

Re: Docket Nos. 50-346, 50-440, 50-412, 50-334
Retrospective Premium Guarantee

FirstEnergy Corp. (parent of The Cleveland Electric Illuminating Company, The Toledo Edison Company, Ohio Edison Company, and Pennsylvania Power Company) hereby provides the documents described below as evidence of its guarantee of the retrospective premiums, which may be served against the Davis-Besse Unit No. 1 (\$10,000,000), Perry Unit No. 1 (\$10,000,000), Beaver Valley Unit No. 1 (\$10,000,000) and Beaver Valley Unit No. 2 (\$10,000,000) reactor licenses, per Section 140.21 of 10 CFR Part 140.

- (1) A 2002 Internal Cash Flow Projection for FirstEnergy Corp. certified by the Assistant Treasurer of the Company.
- (2) FirstEnergy Corp. Annual Report for 2001 will be provided when available.

Very truly yours,

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Enclosures

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FIRSTENERGY CORP.

2002 INTERNAL CASH FLOW PROJECTION
FOR DAVIS-BESSE UNIT NO. 1, PERRY UNIT NO. 1,
AND BEAVER VALLEY UNIT NOS. 1 AND 2 NUCLEAR POWER PLANTS

(Dollars in Thousands)

	2002 <u>Projected</u>
Cash Flows:	
Retained Earnings, Depreciation and Amortization	\$1,593,000
Deferred Income Taxes and Investment Tax Credits	97,000
Allowance for Funds Used During Construction and Carrying Charges	(27,000)
Deferred Operating Expenses	<u>57,000</u>
Net Cash Flows	<u>\$1,720,000</u>
Internal Cash Flow	<u>\$1,720,000</u>
Average Quarterly Cash Flow	<u>\$430,000</u>
Percentage Ownership in Units:	
Davis-Besse Unit No. 1	100.00%
Perry Unit No. 1	100.00%
Beaver Valley Unit No. 2	100.00%
Beaver Valley Unit No. 1	100.00%
Maximum Total Contingent Liability	<u>\$40,000</u>

CERTIFICATION

I, Randy Scilla, Assistant Treasurer of FirstEnergy Corp., hereby certifies that the foregoing Internal Cash Flow Projection for calendar year 2002 is derived from reasonable assumptions and is a reasonable estimate.

3.19.02
Date

Randy Scilla
Randy Scilla

FIRSTENERGY CORP.

2002 INTERNAL CASH FLOW PROJECTION
FOR DAVIS-BESSE UNIT NO. 1, PERRY UNIT NO. 1,
AND BEAVER VALLEY UNIT NOS. 1 AND 2 NUCLEAR POWER PLANTS

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Randy Scilla