

Randy Scilla  
Assistant Treasurer

330-384-5202  
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March 5, 2007

PY-CEI/NRR-3027L  
DB-Serial No.-3325  
BV-No. L-07-047

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

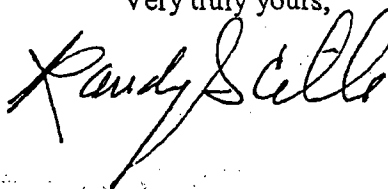
Dear Mr. Dinitz;

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

FirstEnergy Corp. (parent of FirstEnergy Nuclear Generation Corp., The Toledo Edison Company and Ohio Edison 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 (\$15,000,000), Perry Unit No. 1 (\$15,000,000), Beaver Valley Unit No. 1 (\$15,000,000) and Beaver Valley Unit No. 2 (\$15,000,000) reactor licenses, per Section 140.21 of 10 CFR Part 140.

- (1) A 2007 Internal Cash Flow Projection for FirstEnergy Corp. certified by the Assistant Treasurer of the Company.
- (2) FirstEnergy Corp. Annual Report for 2006 will be provided when available.

Very truly yours,



Enclosures

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FIRSTENERGY CORP.

2007 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)

	<u>2007</u> <u>Projected</u>
Cash Flows:	
Retained Earnings, Depreciation and Amortization	\$2,024,000
Deferred Income Taxes and Investment Tax Credits	18,000
Allowance for Funds Used During Construction and Carrying Charges	(26,000)
Deferred Operating Expenses	<u>(539,000)</u>
Net Cash Flows	<u>\$1,477,000</u>
Internal Cash Flow	<u>\$1,477,000</u>
Average Quarterly Cash Flow	<u>\$369,250</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>\$60,000</u>

CERTIFICATION

I, Randy Scilla, Assistant Treasurer of FirstEnergy Corp., hereby certifies that the foregoing Internal Cash Flow Projection for calendar year 2007 is derived from reasonable assumptions and is a reasonable estimate.

3-2-07

Date

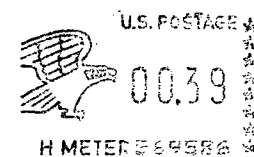
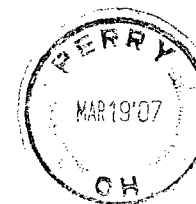
Randy Scilla  
Randy Scilla

**FENOC**

*FirstEnergy Nuclear Operating Company*

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