VIA FAX and FEDEX OVERNIGHT

Ms. Ingrid Ferrell
Executive Secretary
Public Service Commission of West Virginia
201 Brooks Street
PO Box 812
Charleston, WV 25323

Re: Monongahela Power Company and The Potomac Edison Company
Petition for Approval of Generation Resource Transaction and Related Relief
Case No. 17-0296-E-PC

Dear Ms. Ferrell:

Monongahela Power Company ("Mon Power") and The Potomac Edison Company ("Companies") have reviewed the Commission’s January 26, 2018 Order. As the Commission knows, FERC rejected the application filed by Mon Power and Allegheny Energy Supply Company LLC on January 12, 2018. After further review and consideration, those companies have decided not to file a Request for Rehearing with FERC.

Additionally, the Companies will not accept the conditions included in the Commission Order that would result in Mon Power assuming exposure and significant commodity risk, which is inconsistent with FirstEnergy’s announced corporate strategy.

Therefore, the Asset Purchase Agreement between the Companies and Allegheny Energy Supply Company LLC will be terminated in accordance with its terms, and the proposed Transaction will not be consummated. The Companies do not believe that the Commission’s requirements for them to file recalculated revenue requirements, proposed tariff sheets, and indemnity agreements, within thirty days of the date of the Order or by Monday, February 26, are needed in light of these circumstances.

We appreciate the Commission’s time and effort devoted to review this matter.

Sincerely,

Gary A. Jack
Senior Corporate Counsel
WV State Bar No. 1855

cc: Certificate of Service
Re:  Monongahela Power Company and The Potomac Edison Company
Petition for Approval of Generation Resource Transaction and Related Relief
Case No. 17-0296-E-PC

CERTIFICATE OF SERVICE

I hereby certify that on this 5th day of February 2018, a copy of the foregoing Notice was
placed in the U.S. Mail, First Class, to:

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