JERSEY CENTRAL POWER & LIGHT CO
Form 424B3
November 13, 2007
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-146968

PROSPECTUS

Offer To Exchange

$250,000,000 5.65% Exchange Senior Notes due 2017 that have been registered under the Securities Act of 1933 for all outstanding unregistered 5.65% Senior Notes due 2017

$300,000,000 6.15% Exchange Senior Notes due 2037 that have been registered under the Securities Act of 1933 for all outstanding unregistered 6.15% Senior Notes due 2037

We are offering to exchange up to $250,000,000 in aggregate principal amount of our registered 5.65% Exchange Senior Notes due 2017, or the 2017 Exchange Notes, and up to $300,000,000 in aggregate principal amount of our registered 6.15% Exchange Senior Notes due 2037, or the 2037 Exchange Notes, and together with the 2017 Exchange Notes, the Exchange Notes, for a like principal amount of unregistered $250,000,000 of our 5.65% Senior Notes due 2017, or the 2017 Notes, and unregistered $300,000,000 of our 6.15% Senior Notes due 2037, or the 2037 Notes, and together with the 2017 Notes, the Original Notes. The terms of the Exchange Notes are identical in all material respects to the terms of the Original Notes, except that the Exchange Notes have been registered under the Securities Act, and, therefore the terms relating to transfer restrictions, registration rights and additional interest applicable to the Original Notes are not applicable to the Exchange Notes, and the Exchange Notes will bear different CUSIP numbers.

This exchange offer will expire at 5:00 p.m., New York City time, on December 13, 2007, unless extended.

All Original Notes that are validly tendered, and not validly withdrawn, will be exchanged. You should carefully review the procedures for tendering the Original Notes beginning on page 94 of this prospectus.

Like the Original Notes, the Exchange Notes will be our senior unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness, including other series of our currently outstanding senior notes.

You may validly withdraw tenders of the Original Notes at any time before the expiration of this exchange offer.

If you fail to tender your Original Notes, you will continue to hold unregistered, restricted securities, and your ability to transfer them could be adversely affected.

The exchange of the Original Notes for the Exchange Notes will not be a taxable event for United States federal income tax purposes.

The Original Notes may be exchanged for Exchange Notes only in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

We will not receive any proceeds from this exchange offer.

No public market currently exists for the Exchange Notes. We do not intend to apply for listing of the Exchange Notes on any national securities exchange or to arrange for the Exchange Notes to be quoted on any automated quotation system, and therefore, an active public market is not anticipated.

Each holder of the Original Notes wishing to accept this exchange offer must effect a tender of the Original Notes by book-entry transfer into the exchange agent s account at The Depository Trust Company, or DTC. All deliveries are at the risk of the holder. You can find detailed instructions concerning delivery in the section of this prospectus entitled The Exchange Offer beginning on page 91.

See Risk Factors beginning on page 8 for a discussion of factors that you should consider in connection with an investment in the Exchange Notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

YOU SHOULD READ THIS ENTIRE DOCUMENT AND THE ACCOMPANYING LETTER OF TRANSMITTAL AND RELATED DOCUMENTS AND ANY AMENDMENTS OR SUPPLEMENTS CAREFULLY BEFORE MAKING YOUR DECISION TO PARTICIPATE IN THIS EXCHANGE OFFER.

The date of this prospectus is November 13, 2007.

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission, or the SEC. You should rely only on the information we have provided in this prospectus. We have not authorized anyone to provide you with additional or different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus is accurate only as of the date on the front cover.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus are forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements include declarations regarding our or our management s intents, beliefs and current expectations. In some cases, you can identify forward-looking statements by terminology such as may, will, should, expects, plans, anticipates, believes, estimates, predicts, potential or continue or the negative of such ter comparable terminology. Forward-looking statements are not guarantees of future performance, and actual results could differ materially from those indicated by the forward-looking statements. Forward-looking statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause our or our industry s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements.

The forward-looking statements contained herein are qualified in their entirety by reference to the following important factors, which are difficult to predict, contain uncertainties, are beyond our control and may cause actual results to differ materially from those contained in forward-looking statements:

- the speed and nature of increased competition and deregulation in the electric utility industry;
- economic or weather conditions affecting future sales and margins;
- changes in markets for energy services;
- changing energy and commodity market prices;
- our ability to continue to collect transition and other charges or to recover increased transmission costs;
- maintenance costs being higher than anticipated;
- the legal and regulatory uncertainty resulting from the implementation of the Energy Policy Act of 2005, or EPACT, including, but not limited to, the repeal of the Public Utility Holding Company Act of 1935, or PUHCA;
- legislative and regulatory changes including revised environmental requirements;
- adverse regulatory or legal decisions and the outcomes of governmental investigations and oversight (including, but not limited to, the revocation of necessary licenses or operating permits, fines or other enforcement actions and remedies);
- our inability to accomplish or realize anticipated benefits of strategic goals (including employee workforce initiatives);
- the ability to comply with applicable state and federal reliability standards;

the ability to experience growth in our distribution business;

our ability to access the public securities and other capital markets and the cost of such capital;

the outcome, cost and other effects of present and potential legal and administrative proceedings and claims related to the August 14, 2003 regional power outages;

the risks and other factors discussed under Risk Factors, Business, Legal Proceedings, Selected Financial Information, Management Discussion And Analysis Of Financial Condition And Results Of Operations and in our consolidated financial statements and related notes included in this prospectus; and

other similar factors.

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Any forward-looking statements speak only as of the date of this prospectus, and we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of such factors, nor can we assess the impact of any such factor on our business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statements. The foregoing review of factors should not be construed as exhaustive.

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WHERE YOU CAN FIND MORE INFORMATION

We voluntarily file annual, quarterly and current reports and other information with the SEC, although we are not currently subject to the informational requirements of the Exchange Act. As a result of the offering of the Exchange Notes, we will become subject to the informational requirements of the Exchange Act and, in accordance therewith, will file reports and other information with the SEC. These reports and other information can be inspected and copied at the public reference room maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also read and copy these SEC filings by visiting the SEC s website at http://www.sec.gov or FirstEnergy s website at http://www.firstenergycorp.com. Information contained on FirstEnergy s website does not constitute part of this prospectus.

This prospectus is a part of a registration statement on Form S-4 under the Securities Act that we have filed with the SEC with respect to the Exchange Notes offered by this prospectus. This prospectus does not contain all of the information included in the registration statement. For further information, you should refer to the registration statement.

You may request additional copies of our reports or copies of our other SEC filings at no cost by writing or telephoning us at the following address:

Jersey Central Power & Light Company

c/o FirstEnergy Corp.

76 South Main Street

Akron, Ohio 44308-1890

Attention: Investor Services

(800) 736-3402

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SUMMARY

This summary highlights selected information from this prospectus. This summary is not complete and may not contain all of the information that you should consider prior to making a decision to exchange the Original Notes for Exchange Notes. You should read the entire prospectus carefully, including the Risk Factors section beginning on page 8 of this prospectus and the financial statements and notes to these statements set forth in this prospectus. Unless the context indicates otherwise, the words Jersey Central, the company, we, our, ours and us when used in this prospectus refer to Jersey Central Power & Light Company.

Jersey Central Power & Light Company

We are one of eight wholly-owned electric utility operating subsidiaries of FirstEnergy Corp., or FirstEnergy. We were organized under the laws of the State of New Jersey in 1925 and own property and do business as an electric public utility in that state. We engage in the transmission, distribution and sale of electric energy in an area of approximately 3,200 square miles in northern, western and east central New Jersey. We also engage in the sale, purchase and interchange of electric energy with other electric companies. The area we serve has a population of approximately 2.6 million.

Our principal executive offices are located at 76 South Main Street, Akron, Ohio 44308-1890. Our telephone number is (800) 736-3402.

Summary of the Exchange Offer

Issuance of the Original Notes	We issued and sold $250,000,000 aggregate principal amount of 5.65% Senior Notes due 2017 and $300,000,000 aggregate principal amount of 6.15% Senior Notes due 2037 on May 21, 2007 in a transaction not requiring registration under the Securities Act.
	The initial purchasers of the Original Notes sold beneficial interests in the Original Notes to qualified institutional buyers pursuant to Rule 144A of the Securities Act and to non-US persons pursuant to Regulation S of the Securities Act. All of the Original Notes originally issued by us on May 21, 2007 are currently outstanding.
The Exchange Offer; Exchange Notes	We are offering to exchange the Exchange Notes for the Original Notes to satisfy our obligations under the registration rights agreement we entered into when the Original Notes were issued and sold. The Exchange Notes will have been registered under the Securities Act and are of a like principal amount and like tenor of the Original Notes. Noteholders that validly tender their Original Notes and do not validly withdraw such tender before the expiration date will have the benefit of this exchange offer. The Original Notes may be exchanged for Exchange Notes only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. In order to exchange your Original Notes, you must validly tender them before the expiration date of this exchange offer.
Expiration Date	5:00 p.m., New York City time, on December 13, 2007, unless extended by us in our sole discretion. If extended, the term expiration date as used in this prospectus will mean the latest date

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	and time to which this exchange offer is extended. We will accept for exchange any and all Original Notes which are validly tendered and not validly withdrawn before 5:00 p.m., New York City time, on the expiration date.
Conditions to the Exchange Offer	This exchange offer is subject to certain customary conditions, some of which we may waive. See The Exchange Offer Conditions to the Exchange Offer.
Consequences of Failure to Exchange Your Original Notes	If you fail to validly tender your Original Notes for Exchange Notes in accordance with the terms of this exchange offer, or withdraw your tender, your Original Notes will continue to be subject to transfer restrictions. If you are eligible to participate in this exchange offer and you fail to validly tender your Original Notes, or withdraw your tender, you will not have any further rights under the registration rights agreement, including the right to require us to register your Original Notes, but your Original Notes will remain outstanding and continue to accrue interest. See The Exchange Offer Consequences of Failure to Exchange.
	Because we anticipate that most holders of the Original Notes will elect to exchange their Original Notes, we expect that the liquidity of the market, if any, for any Original Notes remaining after the completion of this exchange offer will be substantially limited.
Procedures for Tendering Original Notes	If you are a holder of Original Notes who wishes to accept this exchange offer you must:
	complete, sign and date the accompanying letter of transmittal in accordance with the instructions contained in the letter of transmittal; and
	mail or otherwise deliver the letter of transmittal together with the Original Notes and any other required documentation to the exchange agent at the address set forth in this prospectus.
	However, if you hold your Original Notes through DTC, and wish to accept this exchange offer, you must arrange for DTC to transmit the required information to the exchange agent in connection with a book-entry transfer. See The Exchange Offer Procedures For Tendering Original Notes.
	By tendering your Original Notes in either of these manners, you will be making a number of important representations to us, as described under The Exchange Offer Resale of Exchange Notes, including that you do not intend to participate in a distribution of the Exchange Notes.
	Please do not send your letter of transmittal or certificates representing your Original Notes to us. Those documents should be sent only to the exchange agent. Questions regarding how to tender

	the Original Notes and requests for information should be directed to the exchange agent. See The Exchange Offer Exchange Agent.
Guaranteed Delivery Procedures	If you wish to tender your Original Notes and your Original Notes are not immediately available or you cannot deliver your Original Notes, the letter of transmittal or any other documents required by the letter of transmittal to be delivered to the exchange agent, or you are unable to comply with the procedures for book-entry transfer prior to the expiration of this exchange offer, you must tender your Original Notes according to the guaranteed delivery procedures set forth in The Exchange Offer Procedures For Tendering Original Notes Guaranteed Delivery in order to participate in this exchange offer.
Special Procedures for Beneficial Owners	If your Original Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your Original Notes, we urge you to contact that person promptly and instruct the registered holder to tender your Original Notes on your behalf.
	If your Original Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your Original Notes on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your Original Notes to the exchange agent, either make appropriate arrangements to register ownership of the Original Notes in your name or obtain a properly completed note power from the registered holder. Please note that the transfer of registered ownership may take considerable time.
Withdrawal Rights	You may validly withdraw the tender of your Original Notes at any time prior to 5:00 p.m., New York City time, on the expiration date. See The Exchange Offer Withdrawal Rights.
Acceptance of the Original Notes and Delivery of Exchange Notes	We will accept for exchange any and all Original Notes which are validly tendered and not withdrawn in accordance with the terms and conditions of this exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The Exchange Notes issued pursuant to this exchange offer will be delivered on the earliest practicable date following the exchange date. See The Exchange Offer Terms of the Exchange Offer.
Resales of Exchange Notes	We believe that you will be able to offer for resale, resell or otherwise transfer Exchange Notes issued in this exchange offer without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:
	you are acquiring the Exchange Notes in the ordinary course of your business;

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- you have no arrangement or understanding with any person to participate in a distribution of the Exchange Notes;

- you are not an affiliate of ours; and

- if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of Exchange Notes.

In addition, each participating broker-dealer that receives Exchange Notes for its own account in exchange for the Original Notes which were acquired by the broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the Exchange Notes. A broker-dealer may use this prospectus for an offer to sell, resell or otherwise transfer Exchange Notes. See Plan of Distribution.

Our belief is based on interpretations by the staff of the SEC set forth in several no-action letters issued to third parties. The SEC has not considered this exchange offer in the context of a no-action letter, and we cannot be sure that the staff of the SEC would make a similar determination with respect to this exchange offer. See The Exchange Offer Resale of Exchange Notes.

If our belief is not accurate and you transfer an Exchange Note without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from those requirements, you may incur liability under the Securities Act. We do not and will not assume, or indemnify you against, such liability.

Accrued Interest on the Exchange Notes and the Original Notes	Interest on each Exchange Note will accrue from the last date on which interest was paid on each Original Note surrendered in this exchange offer, or if no interest has been paid, from the original date of issuance of the Original Notes.
Material U.S. Federal Income Tax Consequences	The exchange of Original Notes for Exchange Notes pursuant to this exchange offer will not be a taxable event for United States federal income tax purposes. See Material U.S. Federal Income Tax Consequences.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the Exchange Notes. See Use of Proceeds.
Exchange Agent	The Bank of New York Trust Company, N.A. is serving as the exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are listed below under The Exchange Offer Exchange Agent.
Registration Rights Agreement	The registration rights agreement by and between us and the initial purchasers of the Original Notes obligates us to provide you the opportunity to exchange your Original Notes for Exchange Notes

with substantially identical terms. This exchange offer satisfies that obligation. After this exchange offer is completed, you will no longer be entitled to any exchange or registration rights with respect to your Original Notes. However, under the circumstances described in the registration rights agreement, you may require us to file a shelf registration statement under the Securities Act. See The Exchange Offer Purpose of the Exchange Offer and The Exchange Offer Consequences of Failure to Exchange.

Summary of the Exchange Notes

Securities Offered	We are offering $550,000,000 aggregate principal amount of Exchange Notes of the following series: $250,000,000 aggregate principal amount of 5.65% Exchange Senior Notes due 2017; and $300,000,000 aggregate principal amount of 6.15% Exchange Senior Notes due 2037.
General	The form and terms of the Exchange Notes are identical in all material respects to the form and terms of the corresponding Original Notes, except that the Exchange Notes (i) will be registered under the Securities Act and, therefore, will not be subject to the restrictions on transfer applicable to the Original Notes, (ii) will bear different CUSIP numbers and (iii) will not be entitled to the rights of holders of the Original Notes under the registration rights agreement we entered into when the Original Notes were issued and sold. The Exchange Notes will evidence the same debt as the Original Notes and will be entitled to the benefits of the senior note indenture. See Description of the Exchange Notes.
Maturity	The 2017 Exchange Notes will mature on June 1, 2017, and the 2037 Exchange Notes will mature on June 1, 2037.
Interest	Interest on the 2017 Exchange Notes will accrue at a rate of 5.65% per annum, and interest on the 2037 Exchange Notes will accrue at a rate of 6.15% per annum. Interest on the Exchange Notes will accrue from the last date on which interest was paid on the Original Notes surrendered in the exchange offer, or, if no interest has been paid, from the original date of issuance of the Original Notes, and will be payable semi-annually in arrears on each June 1 and December 1, beginning on December 1, 2007, and at the respective maturity.
Listing	The Exchange Notes will not be listed on any stock exchange or quotation system. The Exchange Notes are a new issue for which there is currently no public market, and no assurance can be given as to the liquidity of or trading market for the Exchange Notes.
Senior Note Indenture	We will issue the Exchange Notes under the indenture, dated as of July 1, 1999, as supplemented, between us and The Bank of New York Trust Company, N.A., as successor senior note trustee, or the senior note indenture.

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Optional Redemption	Each series of the Exchange Notes will be redeemable in whole or in part, at our option, at any time prior to maturity, at a make-whole redemption price as described under Description of the Exchange Notes Optional Redemption.
Security and Ranking	The Exchange Notes will be our senior unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness, including other series of our currently outstanding senior notes. On May 14, 2007, upon the occurrence of certain events described in this prospectus under the heading Description of the Exchange Notes General and Description of the Exchange Notes Security and Release Date, the first mortgage bonds securing the other series of our senior notes were released making our outstanding senior notes our unsecured general obligations.
Limitation on Liens	Subject to certain exceptions, so long as any Exchange Notes are outstanding, we may not issue, assume, guarantee or permit to exist any debt secured by any lien upon any of our operating property, except for certain permitted secured debt, without effectively securing all outstanding senior notes, including the Exchange Notes, equally and ratably with that debt (but only so long as such debt is secured). See Description of the Exchange Notes Certain Covenants Limitation on Liens.
Limitation on Sale and Lease-Back Transactions	Subject to certain exceptions, so long as any Exchange Notes are outstanding, we may not enter into or permit to exist any sale and lease-back transaction with respect to any operating property (except for transactions involving leases for a term, including renewals, of not more than 48 months), if the purchasers commitment is obtained more than 18 months after the later of the completion of the acquisition, construction or development of that operating property or the placing in operation of that operating property or of that operating property as constructed or developed or substantially repaired, altered or improved. See Description of the Exchange Notes Certain Covenants Limitation on Sale and Lease-Back Transactions.
Additional Issuances	We may from time to time, without the consent of the holders of the Exchange Notes or our other debt securities, create and issue additional debt securities having the same terms and conditions as the Exchange Notes so that the additional issuance is consolidated and forms a single series with the previously outstanding Exchange Notes.
Form, Denomination and Registration of the Exchange Notes	The Exchange Notes will be issued in fully-registered form without coupons represented by one or more fully registered global certificates. Each global certificate will be deposited with, or on behalf of DTC and registered in the name of Cede & Co., its nominee. Beneficial interests in the Exchange Notes will be represented through accounts of financial institutions acting on behalf of the

	beneficial owners as direct and indirect participants in DTC, including Euroclear and Clearstream, Luxembourg. Investors may elect to hold interests in the Exchange Notes through DTC or through either Euroclear or Clearstream, Luxembourg, if they are participants in those systems, or indirectly through organizations that are participants in those systems.
Ratings	The Original Notes were assigned ratings of Baa2 by Moody s Investors Service, Inc., or Moody s, BBB by Standard & Poor s Ratings Service, a division of The McGraw Hill Companies, Inc., or S&P, and BBB+ by Fitch Ratings, Ltd., or Fitch. A rating reflects only the view of a rating agency, and it is not a recommendation to buy, sell or hold the Original Notes. A rating does not address market prices or suitability for a particular investor. There can be no assurance that such ratings will not be lowered, suspended or withdrawn by a rating agency at any time.
Risk Factors	You should carefully read and consider, in addition to matters set forth elsewhere in this prospectus, the information in the Risk Factors section beginning on page 8.
Regulatory Approvals	The New Jersey Board of Public Utilities, or NJBPU, approved the issuance of the Original Notes and the Exchange Notes in an Order, dated April 13, 2007. No additional federal or state regulatory requirements must be complied with or approval must be obtained in connection with the exchange offer.
Trustee and Paying Agent	The Bank of New York Trust Company, N.A.
Governing Law	The senior note indenture and the Original Notes are, and the Exchange Notes will be, governed by, and construed in accordance with, the laws of the State of New York.

RISK FACTORS

You should consider the following risk factors, in addition to the other information presented in this prospectus, in evaluating us, our business and whether to participate in this exchange offer. Any of the following risks, as well as other risks and uncertainties, could harm the value of the Exchange Notes directly or our business and financial results and thus indirectly cause the value of the Exchange Notes to decline, which in turn could cause you to lose all or part of your investment. The risks below are not the only ones related to us or the Exchange Notes. Additional risks not currently known to us or that we currently deem immaterial also may impair our business and cause the value of the Exchange Notes to decline. See Cautionary Note Regarding Forward-Looking Statements.

Risks Related to the Exchange Offer

If you do not properly tender your Original Notes for Exchange Notes, you will continue to hold unregistered certificates that are subject to transfer restrictions.

We will only issue Exchange Notes in exchange for Original Notes that are received by the exchange agent in a timely manner together with all required documents. Therefore, you should allow sufficient time to ensure timely delivery of the Original Notes, and you should carefully follow the instructions on how to tender your Original Notes set forth under The Exchange Offer Procedures For Tendering Original Notes and in the letter of transmittal that you receive with this prospectus. Neither we nor the exchange agent are required to tell you of any defects or irregularities with respect to your tender of the Original Notes.

If you do not tender your Original Notes or if we do not accept your Original Notes because you did not tender your Original Notes properly, you will continue to hold Original Notes. Any Original Notes that remain outstanding after the expiration of this exchange offer will continue to be subject to restrictions on their transfer in accordance with the Securities Act. After the expiration of this exchange offer, holders of Original Notes will not (with limited exceptions) have any further rights to have their Original Notes registered under the Securities Act. In addition, if you tender your Original Notes for the purpose of participating in a distribution of the Exchange Notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the Exchange Notes. If you continue to hold any Original Notes after this exchange offer is completed, you may have difficulty selling them because of the restrictions on transfer and because there will be fewer Original Notes outstanding. The value of the remaining Original Notes could be adversely affected by the conclusion of this exchange offer. There may be no market for the remaining Original Notes, and thus you may be unable to sell such Original Notes.

If an active trading market does not develop for the Exchange Notes, you may be unable to sell the Exchange Notes or to sell them at a price you deem sufficient.

The Exchange Notes will be new securities for which there is no established trading market. We do not intend to apply for listing of the Exchange Notes on any national securities exchange or to arrange for the Exchange Notes to be quoted on any automated system. We provide no assurance as to:

- the liquidity of any trading market that may develop for the Exchange Notes;
- the ability of holders to sell their Exchange Notes; or
- the price at which holders would be able to sell their Exchange Notes.

Even if a trading market develops, the Exchange Notes may trade at higher or lower prices than their principal amount or purchase price, depending on many factors, including:

- prevailing interest rates;

the number of holders of the Exchange Notes;

the interest of securities dealers in making a market for the Exchange Notes; and

our operating results.

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If a market for the Exchange Notes does not develop, purchasers may be unable to resell the Exchange Notes for an extended period of time. Consequently, a holder of Exchange Notes may not be able to liquidate its investment readily, and the Exchange Notes may not be readily accepted as collateral for loans. In addition, market-making activities will be subject to restrictions of the Securities Act and the Exchange Act.

In addition, if a large number of holders of the Original Notes do not tender the Original Notes or tender the Original Notes improperly, the limited amount of the Exchange Notes that would be issued and outstanding after we complete this exchange offer could adversely affect the development of a market for the Exchange Notes.

If you are a broker-dealer, your ability to transfer the Original Notes may be restricted.

A broker-dealer that purchased Original Notes for its own account as part of market-making or trading activities must deliver a prospectus when it sells the Exchange Notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their Exchange Notes.

Risks Related to Our Business Operations and Industry

Because our actions in obtaining a supply of electricity are subject to regulatory prudence reviews, there exists the potential for the disallowance and, therefore, non-recovery of a portion of the costs of that supply.

We currently obtain our electricity to serve our basic generation service, or BGS, customers entirely from contracted purchases from third-party suppliers through an auction process authorized by the NJBPU. Auctions in February 2005, 2006 and 2007 resulted in supply contracts covering portions of our requirements for various periods through May 31, 2010. The prices charged to our non-shopping customers since August 1, 2003 have essentially equaled our costs. If any of these third-party suppliers were to default on their obligations, and no other third-party supplier steps in to supply that load, or if future auctions do not result in contracts for all of our supply requirements, we would purchase replacement power in the open market at prices that may exceed our charges to customers.

Although we are permitted to defer for future collection from customers the amounts by which our BGS costs and our costs incurred under non-utility generation, or NUG, agreements exceed amounts collected through our BGS and non-utility generation charge, or NUGC, rates, or deferred balance, our actions in purchasing any such power in the open market would be subject to subsequent regulatory prudence reviews, which could lead to the disallowance of some of those costs. As of September 30, 2007, our accumulated deferred cost balance totaled approximately $330 million.

Electricity currently purchased under existing agreements with non-utility generators and power we generate is sold primarily into the wholesale market, which purchases and sales are also subject to regulatory prudence reviews. Any of our costs that are disallowed for recovery would be charged against our earnings. We cannot predict the result of future regulatory prudence reviews, which could have an adverse impact on our results of operations.

We are subject to complex and changing government regulations that may require increased expense and/or changes in business strategy that could have a negative impact on our results of operations.

We are subject to comprehensive regulation by various federal, state and local regulatory agencies that significantly influences our operating environment. We are required to have numerous permits, approvals and certificates from the agencies that regulate our business. We believe the necessary permits, approvals and certificates have been obtained for our existing operations and that our business is conducted in accordance with applicable laws. However, we are unable to predict the impact on our operating results from the future regulatory activities of any of these agencies. Changes in or reinterpretations of existing laws or regulations or the imposition of new laws or regulations may require us to incur additional expenses or change the way we run our businesses, and therefore may have an adverse impact on our results of operations.

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Our retail rates, conditions of service, issuance of securities and other matters are subject to regulation by the NJBPU. With respect to our wholesale and interstate electric operations and rates, including regulation of our accounting policies and practices, we are subject to regulation by the Federal Energy Regulatory Commission, or FERC. Decisions by either of these regulatory bodies could affect us adversely for the reasons described above.

The EPACT affects various aspects of electric generation, transmission and distribution. One of the provisions of EPACT gives the FERC the authority to certify an electric reliability organization, or ERO, that will establish and enforce mandatory bulk power reliability standards, subject to FERC review and approval. The EPACT repealed the PUHCA effective February 8, 2006. Some of the PUHCA s consumer protection authority has been transferred to the FERC and state utility commissions. The repeal of the PUHCA and the impact of this legislation and its implementation on both a federal and state level could have a significant impact on our operations.

On August 1, 2005, the NJBPU established a proceeding to determine whether additional ratepayer protections are required at the state level in light of the repeal of the PUHCA pursuant to the EPACT. The NJBPU approved regulations effective October 2, 2006 that would prevent a holding company that owns a gas or electric public utility from investing more than 25% of the combined assets of its utility and utility-related subsidiaries into businesses unrelated to the utility industry. These regulations are not expected to materially impact us. Also, in the same proceeding, the NJBPU Staff issued an additional draft proposal on March 31, 2006 addressing various issues including access to books and records, ring-fencing, cross subsidization, corporate governance and related matters. With the approval of the NJBPU Staff, the affected utilities jointly submitted an alternative proposal on June 1, 2006. Comments on the alternative proposal were submitted on June 15, 2006. On November 3, 2006, the NJBPU Staff circulated a revised draft proposal to interested stakeholders. Another revised draft was circulated by the NJBPU Staff on February 8, 2007. We are not able to predict the outcome of this proceeding at this time.

New Jersey statutes require the state to periodically undertake a planning process known as the energy master plan, or EMP, to address energy-related issues. In October 2006, the current EMP process was initiated with the issuance of a proposed set of objectives which, as to electricity, included the following: reduce the total projected electricity demand by 20% by 2020; meet 22.5% of New Jersey s electricity needs with renewable energy resources by 2020; reduce air pollution related to energy use; encourage and maintain economic growth and development; achieve a 20% reduction in both the customer average interruption duration index and the system average interruption frequency index by 2020; maintain unit prices for electricity at no more than 5% above the regional average price; and eliminate transmission congestion by 2020. Comments on the objectives and participation in the development of the EMP have been solicited. Public stakeholder meetings were held in the fall of 2006 and in early 2007, and further public meetings are expected in late 2007. A final draft of the EMP is expected to be presented to the Governor in late 2007 with further public hearings anticipated in early 2008. At this time, we cannot predict the outcome of this process nor determine the impact, if any, such legislation may have on our operations.

On February 13, 2007, the NJBPU Staff informally issued a draft proposal relating to changes to the regulations addressing electric distribution service reliability and quality standards. Meetings between the NJBPU Staff and interested stakeholders to discuss the proposal were held and additional, revised informal proposals were subsequently circulated by the NJBPU Staff. On September 4, 2007, proposed regulations were published in the New Jersey Register, which proposal will be subsequently considered by the NJBPU following comments, which were due on September 26, 2007. At this time, we cannot predict the outcome of this process nor determine the impact, if any, such regulations may have on our operations.

Our facilities may not operate as planned, which may increase our expenses or decrease our revenues and, thus, have an adverse effect on our financial performance.

Operation of transmission and distribution facilities involves risk, including potential breakdown or failure of equipment or processes, accidents, labor disputes, stray voltage and performance below expected levels. In addition, weather-related incidents and other natural disasters can disrupt transmission and distribution delivery systems. Because our transmission facilities are interconnected with those of third parties, the operation of those facilities could be adversely affected by unexpected or uncontrollable events occurring on the systems of such third parties. Any of these occurrences could result in reduced revenues or increased expenses, including higher maintenance costs that we may not be able to recover from customers. Moreover, if we are unable to perform our contractual obligations, penalties or damages may result.

As more fully discussed under Business Legal Proceedings, litigation relating to power outages in our service territory in 1999 is pending against us. Two class action lawsuits (subsequently consolidated into a single proceeding) were filed in New Jersey Superior Court in July 1999 against us, our then parent, GPU, Inc., or GPU (which merged into FirstEnergy Corp. in 2001) and certain of our affiliates, seeking compensatory and punitive damages arising from the July 1999 service interruptions in our territory. In July 2006, the New Jersey Superior Court dismissed the punitive damage claim and decertified the class. The plaintiffs appealed this ruling to the New Jersey Appellate Division, which on March 7, 2007 remanded the matter back to the Trial Court to allow the plaintiffs sufficient time to establish a damage model or individual proof of damages. We filed a petition for allowance of an appeal of the Appellate Division ruling to the New Jersey Supreme Court, which was denied on May 9, 2007. Proceedings are continuing in the Superior Court. We are defending this class action lawsuit, but are unable to predict the outcome of this matter. No liability has been accrued as of September 30, 2007.

Restructuring and deregulation in the electric utility industry may result in increased competition and unrecoverable costs that could adversely affect our business and results of operations.

As a result of the actions taken by state legislative bodies over the last few years, major changes in the electric utility business have occurred and are continuing to take place in parts of the United States, including New Jersey where we operate. The FERC and the U.S. Congress also propose changes from time to time in the structure and conduct of the utility industry. The FERC s ongoing efforts to promote regional transmission organizations, or RTOs, like the PJM Interconnection L.L.C., or PJM, which includes us as a transmission owner, for example, may affect how we operate and our costs of doing business. If these and other restructuring and deregulation-related efforts and proceedings result in unrecoverable costs, our business and results of operations may be adversely affected. We cannot predict the extent and timing of further efforts to restructure, deregulate or re-regulate us or our industry.

Weather conditions such as tornadoes, hurricanes, ice storms and droughts, as well as seasonal temperature variations could have a negative impact on our results of operations.

Weather conditions directly influence the demand for electric power. In our service areas, demand for power peaks during the summer months, with market prices also typically peaking at that time. As a result, overall operating results may fluctuate on a seasonal and quarterly basis. In addition, we have historically sold less power, and consequently received less revenue, when weather conditions are milder. However, severe weather, such as tornadoes, hurricanes, ice or snow storms or droughts, or other natural disasters, may cause outages and property damage that may require us to incur additional costs that are generally not insured and that may not be recoverable through our prices. The effect of the failure of our facilities to operate as planned under these conditions would be particularly burdensome during a peak demand period.

Increases in interest rates and/or a downgrade of our credit ratings could negatively affect our financing costs and our ability to access capital.

We have exposure to future interest rates as we plan to raise debt in the capital markets to meet maturing debt obligations and fund construction or other investment opportunities. Although we employ risk management techniques to hedge against interest rate volatility, significant and sustained increases in market interest rates could materially increase our financing costs and negatively impact our reported results.

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We rely on access to bank and capital markets as sources of liquidity for cash requirements not satisfied by cash flows from operations. A downgrade in our credit ratings from the nationally-recognized credit rating agencies, particularly to a level below investment grade, could negatively affect our ability to access the bank and capital markets, especially in a time of uncertainty in either of those markets. A ratings downgrade would also increase the fees we pay on our various credit facilities, thus increasing the cost of our working capital. A ratings downgrade could also impact our ability to grow our businesses by substantially increasing the cost of, or limiting access to, capital. Our senior unsecured debt ratings from S&P and Moody s are investment grade. The current ratings outlook is negative from S&P and stable from Moody s.

A rating is not a recommendation to buy, sell or hold debt, inasmuch as the rating does not comment as to market price or suitability for a particular investor. The ratings assigned to our debt address the likelihood of payment of principal and interest pursuant to their terms. A rating may be subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating that may be assigned to our securities.

Acts of war or terrorism could negatively impact our business.

The possibility that our infrastructure, or that of an interconnected company, such as electric generation, transmission and distribution facilities could be a direct target of, or indirect casualties of, an act of war could affect our operations. Our transmission and distribution facilities, or generation, transmission and distribution facilities of interconnected companies, may be targets of terrorist activities that could result in disruption of our ability to purchase, transmit or distribute electricity. Any such disruption could result in a decrease in revenues and additional costs to replace or repair our assets, which could have a material adverse impact on our results of operations and financial condition.

We are subject to financial performance risks related to the economic cycles of the electric utility industry.

Our business follows the economic cycles of our customers. Sustained downturns or sluggishness in the economy generally affects the markets in which we operate and negatively influences energy operations. Declines in demand for electricity as a result of economic downturns will reduce overall electricity sales and lessen cash flows, especially as industrial customers reduce production, resulting in less consumption of electricity. Economic conditions also impact the rate of delinquent customer accounts receivable.

We face certain human resource risks associated with the availability of, and our ability to attract and retain, trained and qualified management and labor to meet future staffing requirements.

Workforce demographic issues challenge employers nationwide and are of particular concern to the electric utility industry. The median age of utility workers is significantly higher than the national average. Today, nearly one-half of the industry s workforce is age 45 or older. Consequently, we face the difficult challenge of finding ways to retain our aging skilled workforce while recruiting new talent to mitigate losses in critical knowledge and skills due to retirements. Mitigating these risks could require additional financial commitments.

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USE OF PROCEEDS

This exchange offer is intended to satisfy certain of our obligations under the related registration rights agreement.

We will not receive any cash proceeds from the issuance of the Exchange Notes in this exchange offer. In consideration for issuing the Exchange Notes as contemplated in this prospectus, we will receive outstanding Original Notes in like principal amount. We will cancel all Original Notes surrendered to us in this exchange offer.

We used the proceeds we received from the issuance of the Original Notes to refinance certain series of our outstanding first mortgage bonds, to fund a repurchase of $125 million of our common stock from our parent, FirstEnergy, and for general corporate purposes.

RATIO OF EARNINGS TO FIXED CHARGES

For the Years Ended December 31,					For the Nine Months Ended September 30,	
2002	**2003**	**2004**	**2005**	**2006**	**2006**	**2007**
					(unaudited)	
5.12	2.11	3.19	4.44	4.28	4.57	4.30

Earnings for purposes of the calculation of Ratio of Earnings to Fixed Charges have been computed by adding to Income before extraordinary items total interest and other charges, before reduction for amounts capitalized, provision for income taxes and the estimated interest element of rentals charged to income. Fixed charges include interest on long-term debt, other interest expense and the estimated interest element of rentals charged to income.

CAPITALIZATION

The following table sets forth our capitalization as of September 30, 2007. The table below should be read in conjunction with Selected Financial Information, Management s Discussion And Analysis Of Financial Condition And Results Of Operations and with our consolidated financial statements and related notes included in this prospectus.

	As of September 30, 2007 *(In thousands)*	
Common Stockholder s Equity	$ 3,020,943	65.8%
Long-Term Debt and Other Long-Term Obligations	1,568,296	34.2%
Total Capitalization	$ 4,589,239	100.0%

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SELECTED FINANCIAL INFORMATION

The following table contains: (1) our selected financial data for the five fiscal years ended December 31, 2006, and as of December 31 for each of those years, which have been derived from our audited consolidated financial statements (our audited financial statements for the three fiscal years ended December 31, 2006 are included in this prospectus) and (2) our selected financial data for the nine months ended September 30, 2006 and 2007 and as of September 30, 2007, which have been derived from our unaudited consolidated financial statements included in this prospectus. The selected financial data as of September 30, 2006 and 2007 and for the nine months ended September 30, 2006 and 2007 are unaudited. For the nine months ended September 30, 2006 and 2007, all adjustments, consisting only of normal and recurring adjustments, which are, in ou