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FIRSTENERGY CORP
Form 11-K
June 21, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT

Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE
ACT OF 1934 (FEE REQUIRED) for the fiscal year ended December 30, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934 (NO FEE REQUIRED) for the transition period
from _____ to 5313 _____.

Commission file number 333-21011

- A. Full title of the plan and the address of the plan, if
different from that of the issuer named below:
FIRSTENERGY CORP. SAVINGS PLAN
- B. Name of issuer of the securities held pursuant to
the plan and the address of its principal executive
office:

FIRSTENERGY CORP.
76 SOUTH MAIN STREET
AKRON, OH 44308

We consent to the incorporation by reference in the Company's previously filed
Registration Statement (File No. 333-21011) of our report dated June 7, 2002, on
the audits of the FirstEnergy Corp.

FirstEnergy Corp.
Savings Plan
Report on Audits of Financial Statements
and Supplemental Schedules
December 30, 2001 and 2000

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FirstEnergy Corp. Savings Plan

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December 30, 2001 and 2000

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All other supplemental schedules are omitted as they are not applicable or are not required based on the disclosure requirements of the Employee Retirement Income Security Act of 1974 and applicable regulations issued by the Department of Labor.

Report of Independent Accountants

To the Participants and the
Savings Plan Committee

In our opinion, the accompanying statements of net assets available for plan benefits and the related statements of changes in net assets available for plan benefits present fairly, in all material respects, the net assets available for plan benefits of the FirstEnergy Corp. Savings Plan (the "Plan") at December 30,

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2001 and 2000, and the changes in net assets available for plan benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets (held at end of year) and reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. These supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

June 7, 2002

FirstEnergy Corp. Savings Plan

Statements of Net Assets Available for Plan Benefits December 30, 2001 and 2000

| Assets | 2001 | 2000 |
|---|--------------|--------------|
| Cash and cash equivalents | \$ 2,343,342 | \$ 2,315,579 |
| FirstEnergy common stock | 457,493,010 | 409,819,702 |
| Capital preservation investments | 163,168,296 | 146,804,260 |
| Domestic equity stocks | 299,137,692 | 320,407,833 |
| International equity stocks | 40,982,416 | 54,495,835 |
| Other equities | 23,568,020 | 27,790,987 |
| Balanced fund securities | - | 30,293,989 |
| Bonds | 13,963,399 | - |
| Participant loans | 18,125,574 | 16,354,465 |
| Interest receivable | 868,023 | 2,111,011 |
| Employer contributions receivable | - | 17,973,917 |
| Employee contributions receivable | 1,758,988 | 1,662,770 |
| Pending sale transactions | 55,538 | 22,398 |
| | ----- | ----- |

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| | | |
|--|----------------|----------------|
| Total assets | 1,021,464,298 | 1,030,052,746 |
| Liabilities | | |
| Pending purchase transactions | 345,932 | 249,059 |
| ESOP loan balance | 149,550,000 | 168,250,000 |
| Interest payable | 505 | 17,513,680 |
| | ----- | ----- |
| Total liabilities | 149,896,437 | 186,012,739 |
| | ----- | ----- |
| Net assets available for plan benefits ... | \$ 871,567,861 | \$ 844,040,007 |
| | ===== | ===== |

The accompanying notes are an integral part of these financial statements.

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FirstEnergy Corp. Savings Plan

Statements of Net Assets Available for Plan Benefits
December 30, 2001 and 2000

| | 2001 | 2000 |
|---|---------------|-----------|
| ----- | | |
| Additions: | | |
| Contributions: | | |
| Employee | \$ 45,395,654 | \$ 39,255 |
| Employer | 20,272,285 | 17,973 |
| | ----- | ----- |
| Total contributions | 65,667,939 | 57,229 |
| Investment income: | | |
| Interest and dividends | 34,356,550 | 42,264 |
| Net (depreciation) appreciation in fair value of investments | (18,006,428) | 66,455 |
| | ----- | ----- |
| Total investment income | 16,350,122 | 108,719 |
| Conversion transfers, net | 100,958 | 38,424 |
| | ----- | ----- |
| Total additions | 82,119,019 | 204,373 |
| Deductions: | | |
| Distributions to Participants | (37,084,543) | (48,430) |
| ESOP interest | (16,825,000) | (18,275) |
| Fees | (579,137) | (922) |
| ESOP transfers to other benefit plan | (102,485) | |
| | ----- | ----- |

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| | | |
|--|----------------|------------|
| Total deductions | (54,591,165) | (67,628) |
| Increase in net assets | 27,527,854 | 136,744 |
| Net assets available for plan benefits, beginning of year | 844,040,007 | 707,295 |
| Net assets available for plan benefits, end of year | \$ 871,567,861 | \$ 844,040 |

FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

1. Description of the Plan

The FirstEnergy Corp. Savings Plan (the "Plan") provides eligible employees of FirstEnergy Corp. ("FirstEnergy" or "FE") and its subsidiaries, collectively referred to as the "Companies" a mechanism through which they can save and invest part of their income on a tax deferred basis at regular intervals. Additionally, the Companies may match employee contributions with shares of FirstEnergy common stock (see Note 7) held in the Employee Stock Ownership Plan ("ESOP"). Employees may invest their contributions in other investment options (the "Funds") and all contributions made to employees' accounts are fully and immediately vested in the Plan. The purpose of the Plan is to encourage employees to adopt a regular savings program and to provide additional security for retirement. The following is a brief description of the Plan and is provided for general information purposes only. Employees should refer to the Plan documents for more complete information.

The Plan is a qualified profit-sharing plan under Section 401(a) of the Internal Revenue Code of 1954, as amended (the "Code"), and provides for salary reduction contributions under Section 401(k) of the Code. In general, plans established pursuant to Section 401(k) of the Code permit eligible employees to defer current federal and, subject to applicable laws, state and local income taxes on the portion of their current compensation represented by the amount of the salary reduction elected. The amounts, as elected by the employees, are contributed to the Plan by the Companies through payroll deductions.

The Plan is subject to Title I of the Employee Retirement Income Security Act of 1974 ("ERISA") but not Title IV as it is an "individual account plan". Title I establishes reporting and disclosure requirements, minimum standards for participation, vesting and benefit accrual, prohibitions governing the conduct of fiduciaries and provides that ERISA pre-empts other federal, state and local statutes relating to employee benefits. The protective benefits of Title IV which relate to insuring pension benefits by the Pension Benefit Guaranty Corporation are not applicable

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to individual account plans.

Every permanent FirstEnergy Corp. employee is eligible to become a participant in the Plan, herein referred to as employee or Participant immediately at commencement of employment.

Employees may participate in one or more of the Funds through deferral of compensation. The choice of investments (except the Companies' matching contributions, which are in the form of FirstEnergy common stock) is the responsibility of the individual employee. Transfers between funds are the responsibility of the employee and may be made on a daily basis.

Securities in the ESOP Account

The ESOP purchased a total of 10,654,114 shares of Ohio Edison ("OE") common stock from November 1990 to December 1991 for the purpose of funding the Companies' matching contribution to the Plan. On November 8, 1997, pursuant to the merger of OE and Centerior Energy Corporation that created FirstEnergy Corp. ("Merger"), shares of OE common stock were converted into shares of FirstEnergy common stock on a one-for-one basis.

The Plan borrowed \$200 million, referred to herein as the "ESOP Loan", at a rate of 10% from OE to fund the purchase of the stock. The ESOP Loan is collateralized by the unallocated FirstEnergy common stock acquired with the proceeds of the ESOP Loan. The ESOP Loan is expected to be

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

repaid by December 2005. Interest payments on the loan are made annually. Additionally, principal payments may be made sooner if additional shares of FirstEnergy common stock are needed for distributions to Participants. At December 30, 2001 and 2000, the ESOP Loan balance was \$149,550,000 and \$168,250,000, respectively.

Requirements for maturing long-term debt are as follows:

| | |
|------------|---------------|
| 2002 | \$ 23,700,000 |
| 2003 | 29,300,000 |
| 2004 | 35,700,000 |
| 2005 | 60,850,000 |
| | ----- |
| | \$149,550,000 |
| | ===== |

ESOP Allocation

As principal and interest payments are made on the ESOP Loan, shares of FirstEnergy common stock are released from the ESOP Unallocated Fund to the ESOP Allocated Fund where they are made available for contribution to Participants' accounts. The Plan made interest payments of \$35,100,000 in 2001 and \$19,415,000 in 2000, which released 812,272 shares in 2001 and 477,625 shares in 2000. In December 2001, a principal payment of

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\$18,700,000 was made which led to the release of 442,343 shares. In December 2000, a principal payment of \$14,500,000 was made which led to the release of 342,993 shares. In January 2000, a principal payment of \$11,400,000 was made leading to the release of 269,664 shares.

The Companies' matching contribution to each Participant's account is computed the Thursday following the end of each pay period based on the Companies' matching contribution percentages (see Note 7) and on the quoted market price of the FirstEnergy common stock when contributed. During 2001 and 2000, respectively, 548,888 and 618,381 ESOP shares were contributed to Participants' accounts. In 2001 and 2000, respectively, 197,077 and 212,128 ESOP shares were realized related to the reinvestment of dividends on the ESOP shares.

At December 30, 2001 and 2000, there were 4,561,340 and 5,815,955 shares respectively, held in the ESOP Unallocated Fund at market values of \$159,555,675 and \$183,566,080, respectively, and 4,540,151 and 3,951,907 shares, respectively, held in the ESOP Allocated Fund at market values of \$176,352,004 and \$124,732,064. The market value of the ESOP common stock is measured by the quoted market price.

PAYSOP

A component of the Plan consists of a qualified payroll-based tax credit employee stock ownership plan (PAYSOP) under Section 401(a) and Section 501(a) of the Code.

Under the Economic Recovery Tax Act of 1981, effective January 1, 1983, tax credits were based upon eligible employee compensation. The regulation permitted the Companies to contribute to the Trust a maximum of one-half of one percent of the aggregate compensation of eligible employees and claim a tax credit on its consolidated federal income tax return equal to this amount. The amounts allocated to eligible employees were based upon the proportion of their wages and salaries (to a maximum of \$100,000) to the wages and salaries of total employees for the year.

FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

The Tax Reform Act of 1986 eliminated the PAYSOP tax credit with respect to compensation earned in 1987 or later years. As a result, the Companies have not contributed to the PAYSOP since the 1986 contribution other than for the reimbursement of PAYSOP administrative expenses.

On November 8, 1997, pursuant to the Merger, shares of OE common stock held in the PAYSOP were converted into shares of FirstEnergy common stock on a one-for-one basis.

Dividends are paid annually to Participants in the PAYSOP. The market value of the common stock in the PAYSOP is measured by the quoted market price. As of February 11, 2002, dividends will be payable quarterly to Participants and Participants will also have the option to reinvest dividends back into the PAYSOP Fund.

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2. Summary of Accounting Policies

The financial statements have been prepared on the accrual basis of accounting.

The Plan presents, in the Statements of Changes in Net Assets Available for Plan Benefits, the net appreciation (depreciation) in the fair value of its investments, which consists of realized gains or losses and unrealized appreciation or depreciation. All investment management fees are deducted from investment income.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and accompanying notes. Actual results may differ from these estimates.

Certain prior year amounts have been reclassified to conform to the current year's presentation.

3. Plan Termination

Although the Companies have not expressed any intent to do so, the Companies reserve the right to discontinue or terminate the Plan at any time. If the Plan should be terminated, in whole or in part, Participants will be entitled to withdraw the full value of their accounts, to the extent allowed by law.

4. Descriptions of Funds

The following are brief descriptions of the Funds currently available to Participants at December 30, 2001:

Fund A - Company Common Stock Fund

This Fund consists entirely of shares of FirstEnergy Corp. common stock. The Fund provides an opportunity for employees to increase their common ownership stake in FirstEnergy. The objective for this Fund is the growth of capital through both appreciation and dividend income. The Fund also holds the Companies' pre-ESOP matching contribution in FirstEnergy common stock. The common stock is purchased by the Trustee on the open market. The market value of the common stock is measured by the quoted market price.

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

Fund B - Capital Preservation Fund

This Fund consists of guaranteed fixed income contracts issued by insurance companies and banks, collateralized mortgage obligations, and short-term money market instruments. These contracts guarantee interest for a fixed period and the principal amount of all investments. The average yield of the contracts was 5.97 % and 6.21% for the years 2001 and 2000, respectively. The crediting interest rate as of December 30, 2001 and 2000 was 5.51% and 6.25%, respectively. The market value of the

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Capital Preservation Fund is measured at the contract value as determined by the insurers and banks and no valuation reserve in relation to the contract value is deemed necessary.

Fund C - S&P 500 Index Fund

This Fund is a common/collective trust investing in the S&P 500 stocks. The objective of this Fund is the growth of capital through both appreciation and dividend income. The market value of the S&P 500 Index Fund is based on the market value per share determined by the Trustee.

Fund D - Small Cap Value Fund

This Fund invests primarily in securities of well-financed small cap companies at a substantial discount to what the manager believes are takeover values. The manager is EQSF Advisors, Inc. and the mutual fund name is Third Avenue Value. The objective of the Fund is to match or exceed the returns of the Russell 2000 Value Index over time.

Fund E - Large Cap Value Fund

The Fund seeks long-term capital appreciation and income by focusing on domestic large company equities that are selling at modest prices to earnings multiples. Shares are usually held for the long-term. Only extreme valuations or major changes to a company's fundamentals will trigger a sale. The portfolio manager is Davis Selected Advisors, L.P. and the mutual fund name is Selected American Fund. The performance objective is to match or exceed the S&P/Barra Large Cap Value Index over time.

Fund F - Mid Cap Value Fund

The Fund seeks long-term capital appreciation by investing in mid-sized companies that are less closely monitored by the investment community as evidenced by low institutional ownership and analyst coverage. The goal is to find well-managed companies that have sustainable growth prospects but that are selling at prices below their private market value. The manager believes that these factors may cause shares to be undervalued. The manager may sell a stock when its price no longer compares favorably with the company's private market value. The portfolio manager is Strong Capital Management and the mutual fund name is Strong Opportunity Fund.

Fund G - Mid Cap Growth Fund

The Fund seeks long-term capital appreciation by investing in mid cap companies that are leaders in attractive growth markets and in securities of higher risk accelerating growth companies. These securities are driven by product cycles, favorable sector conditions or other company specific factors expected to produce rapid sales and earnings growth. The Fund's investments are usually bought and sold relatively frequently. The portfolio manager is Invesco Funds Group, Inc. and the mutual fund name is Invesco Dynamics Fund.

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

Fund H - Small Cap Growth Fund

The Fund seeks long term capital appreciation by investing in small companies that are positioned for above-average growth in revenues,

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earnings or assets. Both qualitative and quantitative analysis is used to evaluate companies for distinct and sustainable competitive advantages which are likely to lead to growth in earnings and share price. The portfolio manager is Franklin Advisers, Inc. The mutual fund name is Franklin Small/Mid Cap Growth Fund.

Fund I - Bond Fund

The Fund seeks to maximize total return consistent with the preservation of capital by investing at least 65% of its assets in a diversified portfolio of intermediate term fixed income investments of varying maturities. The Fund invests primarily in investment grade debt but may invest up to 10% of its assets in high yield securities rated B or higher. The Fund may invest up to 20% of assets in securities denominated in foreign currencies. The portfolio manager is PIMCO and the mutual fund name is PIMCO Total Return Fund.

Fund J -Self Managed Fund

Participants may invest in a self managed brokerage account available through State Street Brokerage Services, Inc. Options include mutual funds along with any security that is listed on the NYSE, ASE and NASDAQ.

Fund K - EuroPacific Fund

This Fund is an actively managed portfolio of foreign common stocks managed by Capital Research & Management Co. The objective of the Fund is the growth of capital through appreciation. The market value of the Fund is measured at the market value per share determined by the investment manager.

Fund L - Loan Fund

The Plan allows Participants to borrow from their before-tax, after-tax and rollover accounts for certain approved purposes. When loans are made, they are recorded as interfund transfers. The repayments of principal and interest are credited to the Participants' account balances within the respective funds. The employee repays the loan and all related interest through payroll deductions.

Participants may borrow up to 50 percent of their total account balance or 100 percent of their before-tax account, whichever is less. The interest rate charged is based on the prime rate plus 1 percent. Participants may have up to two loans outstanding at one time. The minimum loan amount is \$1,000 and must be repaid within 6 and 60 months. If the loan is for the purchase of a principal residence, the loan repayment period can be extended to 30 years. The maximum loan amount is \$50,000.

Fund M - Armada Equity Growth Fund

This is an actively managed Fund specializing in large capitalization growth-oriented stock issues managed by National City Bank. The objective of the Fund is the growth of capital through appreciation.

Fund N - DQE Frozen Stock Fund

This Fund consists entirely of shares of Duquesne Light Company ("DQE") common stock. These investments were transferred from the former Beaver Valley Power Station 401(k) Plan. The

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Notes to Financial Statements
December 30, 2001 and 2000

market value of the common stock is measured by the quoted market price. The Fund is frozen to contributions from Participants and allows withdrawals by Participants in accordance with the Plan document.

5. Investments

The Plan's investments are maintained in investment funds and shares of common stock of FirstEnergy and DQE, as described in Note 4.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Market values of securities fluctuate based on the magnitude of changing market conditions; significant changes in market conditions could materially affect plan investments.

The following presents the market value of investments that represent 5 percent or more of the Plan's Net Assets Available for Plan Benefits at December 30, 2001 and 2000:

| | 2001 | 2000 |
|---------------------------------|----------------|----------------|
| | ----- | ----- |
| ESOP Unallocated Fund | \$ 159,555,675 | \$ 183,566,080 |
| ESOP Allocated Fund | 176,352,004 | 124,732,064 |
| Company Common Stock Fund | 118,284,278 | 98,381,786 |
| Capital Preservation Fund | 163,168,296 | 146,804,260 |
| S&P 500 Index Fund | 148,298,557 | 162,252,698 |
| EuroPacific Fund | 40,982,416 | 54,495,835 |
| Armada Equity Growth Fund | 90,698,078 | 127,188,018 |

The net (depreciation) appreciation of the Plan's investments for 2001 and 2000 was as follows:

| | 2001 | 2000 |
|--------------------------------------|-----------------|-----------------|
| Equities | \$ (21,402,157) | \$ (12,016,298) |
| Bonds | (233,937) | - |
| Domestic stocks | (33,585,640) | (19,228,615) |
| International stocks | (6,970,511) | (18,567,594) |
| FirstEnergy Corp. common stock | 44,185,817 | 116,267,974 |
| | ----- | ----- |
| Total | \$ (18,006,428) | \$ 66,455,467 |
| | ===== | ===== |

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

6. Participant Investments That Are Non-Participant Directed

Net assets available for plan benefits and changes in net assets available for plan benefits relating to non-participant directed investments at December 30, 2001 and 2000 and for the years then ended are as follows:

| | 2001 | 2000 |
|---|----------------|----------------|
| | ----- | ----- |
| Assets: | | |
| FE common stock | \$ 152,364,318 | \$ 119,066,624 |
| | ----- | ----- |
| Net assets available for plan benefits | \$ 152,364,318 | \$ 119,066,624 |
| | ===== | ===== |
| Changes in net assets available for plan benefits: | | |
| Employer contributions | \$ 20,272,285 | \$ 17,973,917 |
| Interest and dividends | 6,136,129 | 5,284,080 |
| Net appreciation in fair value | | |
| of investments | 19,778,176 | 37,054,606 |
| Distributions to Participants | (5,092,242) | (3,825,551) |
| Transfers, net | (7,794,304) | (9,432,685) |
| Expenses | (2,350) | (3,083) |
| | ----- | ----- |
| Increase in net assets available for plan benefits .. | \$ 33,297,694 | \$ 47,051,284 |
| | ===== | ===== |

7. Contributions

Employer Contributions

The Companies pay a matching contribution of 50% on the first 6% of compensation contributed by an employee. In addition, the Companies may designate a number of performance objectives and contribute for each objective achieved, an additional \$.05, up to a maximum of \$.25, on each \$1.00 of the first 6% of compensation contributed by an employee. The Companies' contributions are always invested in FirstEnergy common stock.

The Companies' contributions have been pre-funded by the FirstEnergy

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common stock held by the ESOP Unallocated Fund. These shares of FirstEnergy common stock earn dividend income and are subject to unrealized appreciation and depreciation as the market value of the FirstEnergy common stock fluctuates. The dividend income serves to pay the ESOP Loan and related interest, which results in the release of shares to the ESOP Allocated Fund as the Companies' matching contribution. To the extent dividend income is not sufficient to pay the ESOP Loan and interest, the Companies will contribute cash which is reflected as employer contributions in the Statements of Changes in Net Assets Available for Plan Benefits.

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

Employee Contributions

During 2001 and 2000, employees could invest between 1% and 16% of their salary in the Plan. Employee contributions may be made on a before-tax and/or after-tax basis. Under the before-tax option, deposits are deducted from current taxable income but are taxable when they are withdrawn from the Plan. The Tax Reform Act of 1986 limited the maximum annual before-tax contribution to \$10,500 for 2001 and 2000. Prior to age 59-1/2, an active employee may withdraw before-tax deposits only under certain hardship conditions as defined in the Plan document.

Employees may make rollover contributions to the Plan of funds held in other tax-qualified plans which the employee was a participant of prior to becoming employed by the Companies. The rollover contributions must be the result of a qualified total distribution from another tax-qualified plan and must be contributed to the Plan within 60 days after distribution to the employee.

Both employer and employee contributions under the Plan are held in a trust fund with an independent trustee (State Street Bank & Trust Company). Employees may choose to invest their contributions in Funds A, B, C, D, E, F, G, H, I, J, K or M (see Note 4) which are offered by the Plan. Employees may also elect to borrow from their before-tax accounts for certain approved purposes (Fund L).

During 2000, non-union participants from the former Beaver Valley Power Station 401(k) Plan were merged into the Plan (see Note 9). The transferred assets include Duquesne Light Company common stock (Fund N).

8. Tax Considerations

The Plan was amended and restated as the FirstEnergy Corp. Savings Plan effective July 1, 1998. The Companies have not yet applied for a determination letter from the Internal Revenue Service.

Management believes the Plan is exempt from federal, state and local income taxes. The federal, state and local income tax treatments of distributions from the Plan depend upon when they are made and their form. The withdrawal of the principal amount of a Participant's after-tax contribution is not, however, subject to tax. For tax years beginning after December 31, 1986, the Tax Reform Act of 1986 requires that an

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additional tax of 10% be applied to employee withdrawals from the Plan prior to death, disability, attainment of age 59-1/2, or under certain other limited circumstances.

In the case of withdrawal by a Participant employed by the Companies prior to the attainment of age 59-1/2, the excess of the value of the withdrawal over the total amount of the Participant's after-tax contributions, is taxable at ordinary income tax rates. The value of the Companies common stock withdrawn is considered to be its fair value on the date it is withdrawn.

In the case of a distribution that qualifies as a lump-sum distribution upon a Participant's termination of employment with the Companies or after attaining the age of 59-1/2, only the excess of the value of the lump sum distribution over the amount of the Participant's after-tax contributions to the Plan (less withdrawals) is taxable at ordinary income tax rates. In determining the value of the lump-sum distribution, the FirstEnergy common stock distributed in-kind or in cash shall be valued at fair value on the date it is withdrawn.

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FirstEnergy Corp. Savings Plan

Notes to Financial Statements
December 30, 2001 and 2000

9. Conversion Transfers

On January 1, 2000, former Duquesne Light Company non-union participants in the Beaver Valley Power Station 401(k) Plan were merged into the FirstEnergy Corp. Savings Plan. Net assets with a value of \$49,367,654 were transferred to the Plan.

Additional transfers to the Plan from other plans totaled \$1,357,126 during 2000.

On July 3, 2000, FirstEnergy sold three power plants to Orion Company. Total assets transferred out of the Plan were \$12,300,496.

10. Subsequent Event

Effective January 1, 2002, the maximum contribution rate was increased from 16% to 20%. Also effective on this date, Citistreet became responsible for the administration of the Plan's beneficiary forms. In addition, participant residential loans have been extended from 15 to 30 years.

Effective February 11, 2002, Participants who are at least 55 years of age with ten years in the ESOP are provided the ability to diversify a portion of their company matching funds. Also, Participants who are at least 50 years of age can elect to defer an additional \$1,000. Participants can elect to receive the quarterly dividends on their shares of FirstEnergy common stock in the PAYSOP and Company Stock Funds.

Effective March 31, 2002, former Duquesne Light Company union participants in the FirstEnergy Corp. 401(k) Retirement Savings Plan for IBEW Represented

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Employees at the Beaver Valley Nuclear Power Plant were merged into the FirstEnergy Corp. Savings Plan.

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FirstEnergy Corp. Savings Plan

Schedule of Assets (Held at End of Year)
December 30, 2001

| Identity of Issue | Description | Cost |
|-----------------------------|---|--------------|
| State Street STIF Fund | Money Market Fund | \$ 2,343,342 |
| ESOP Unallocated Fund * | FE Common Stock | 85,626,924 |
| ESOP Allocated Fund * | FE Common Stock | 95,125,586 |
| PAYSOP Fund * | FE Common Stock | 1,582,021 |
| Company Common Stock Fund * | FE Common Stock | 86,235,645 |
| Capital Preservation Fund | GICs, CMOs | 163,168,296 |
| S&P 500 Index Fund | S&P 500 Stocks (Common/Collective Trust) | 116,282,245 |
| Small Cap Value Fund | Domestic Small Cap Stocks (Retail Mutual Fund) | 31,493,129 |
| Large Cap Value Fund | Large Cap Value Stocks (Retail Mutual Fund) | 8,669,172 |
| Mid Cap Value Fund | Mid Cap Value Stocks (Retail Mutual Fund) | 10,398,430 |
| Mid Cap Growth Fund | Mid Cap Growth Stocks (Retail Mutual Fund) | 4,684,292 |
| Small Cap Growth Fund | Small Cap Growth Stocks (Retail Mutual Fund) | 3,855,284 |
| Bond Fund | Bonds (Retail Mutual Fund) | 14,184,654 |
| Self Managed Fund | Equities, Fixed Income | 23,568,020 |

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| | | |
|---------------------------|---------------------------------------|----------------|
| EuroPacific Fund | International Stocks (Mutual Fund) | 48,350,189 |
| Armada Equity Growth Fund | Equities (Mutual Fund) | 97,549,996 |
| DQE Frozen Stock Fund * | DQE Company Stock | 3,154,580 |
| | | ----- |
| | | \$ 796,271,805 |
| | | ===== |

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FirstEnergy Corp. Savings Plan

Schedule of Reportable Transactions
For the Year Ended December 30, 2001

| Description of Assets | Number of Purchase Transactions | Total Value of Purchase | Number of Sale Transactions | Selling Price | To Cos Asset |
|---------------------------|---------------------------------------|-------------------------------|-----------------------------------|------------------|--------------------|
| State Street STIF Fund | 198 | \$ 34,837,893 | 271 | \$ 34,809,802 | \$ 34, |
| FirstEnergy common stock | 254 | \$ 50,145,816 | 436 | \$ 46,751,408 | \$ 44, |
| Capital Preservation Fund | 143 | \$ 40,573,657 | 146 | \$ 24,209,621 | \$ 24, |
| S&P 500 Index Fund | 69 | \$ 43,903,234 | 183 | \$ 37,321,054 | \$ 27, |

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Exhibit A

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Consent of Independent Accountants

We consent to the incorporation by reference in the Company's previously filed Registration Statement (File No. 333-21011) of our report dated June 7, 2002, on the audits of the FirstEnergy Corp. Savings Plan as of December 30, 2001 and December 30, 2000 which report is included in this Annual Report on Form 11-K of FirstEnergy Corp.

/s/ PricewaterhouseCoopers LLP

Cleveland, Ohio
June 21, 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Savings Plan Committee, the administrator of the FirstEnergy Corp. Savings Plan, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

FIRSTENERGY CORP.
SAVINGS PLAN

June 21, 2002

Date

By: /s/ Richard J. LaFleur

Richard J. LaFleur
Chairman
Savings Plan Committee

June 21, 2002

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Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: FirstEnergy Corp. Savings Plan

Gentlemen:

We transmit herewith for electronic filing with the Securities and Exchange Commission, pursuant to the Securities Act of 1934, as amended, an annual report on Form 11-K of the FirstEnergy Corp. Savings Plan.

Please address any comments regarding the above to the undersigned at 76 S. Main Street, Akron, OH 44308 (330) 384-5504.

Very truly yours,

FirstEnergy Corp.

By: /s/ N. C. Ashcom

N. C. Ashcom
Corporate Secretary