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METROPOLITAN EDISON CO
 Form 8-K
 March 12, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
 SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) March 12, 2003

| Commission File Number ----- | Registrant; State of Incorporation; Address; and Telephone Number ----- | I.R.S. Employer Identification No. ----- |
|------------------------------------|---|--|
| 1-446 | Metropolitan Edison Company (A Pennsylvania Corporation) c/o FirstEnergy Corp. 76 South Main Street Akron, OH 44308 Telephone (800) 736-3402 | 23-0870160 |

Item 5. Other Events

Metropolitan Edison Company (Met-Ed) reports unaudited financial information for the year ended December 31, 2002. Met-Ed is also providing specific disclosure with respect to the Pennsylvania Supreme Court action that was previously reported in Met-Ed's Form 8-K filed on January 21, 2003.

METROPOLITAN EDISON COMPANY

CONSOLIDATED STATEMENTS OF INCOME

| | (Unaudited) For the year ended December 31, 2002 | Nov 7 - Dec. 31, 2001 |
|-------------------------|--|--------------------------|
| | ----- | |
| | (Dollars in thousand) | |
| OPERATING REVENUES..... | \$986,608 ----- | \$143,760 ----- |

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| | | |
|---|-----------|-----------|
| OPERATING EXPENSES AND TAXES: | | |
| Fuel and purchased power (A)..... | 604,305 | 83,275 |
| Other operating costs..... | 115,371 | 16,122 |
| | ----- | ----- |
| Total operation and maintenance expenses..... | 719,676 | 99,397 |
| Provision for depreciation and amortization..... | 81,419 | 8,903 |
| General taxes..... | 66,795 | 6,509 |
| Income taxes..... | 27,447 | 11,584 |
| | ----- | ----- |
| Total operating expenses and taxes..... | 895,337 | 126,393 |
| | ----- | ----- |
| OPERATING INCOME..... | 91,271 | 17,367 |
| OTHER INCOME..... | 21,742 | 5,465 |
| | ----- | ----- |
| INCOME BEFORE NET INTEREST CHARGES..... | 113,013 | 22,832 |
| | ----- | ----- |
| NET INTEREST CHARGES: | | |
| Subsidiaries' preferred stock dividend requirements..... | 7,559 | 1,102 |
| Interest on long-term debt..... | 40,774 | 5,615 |
| Allowance for borrowed funds used during construction..... | (470) | 30 |
| Deferred interest..... | (710) | (276) |
| Other interest expense | 2,636 | 1,744 |
| | ----- | ----- |
| Net interest charges..... | 49,789 | 8,215 |
| | ----- | ----- |
| NET INCOME..... | \$ 63,224 | \$ 14,617 |
| | ===== | ===== |
| CONOLIDATED RATIO OF EARNINGS TO FIXED CHARGES..... | 3.09 | 4.29 |
| | ===== | ===== |
| Transmission and Distribution | | |
| Kilowatt-Hour Deliveries (Millions): | | |
| Residential..... | 4,738 | 793 |
| Commercial..... | 3,991 | 652 |
| Industrial..... | 3,972 | 662 |
| Other..... | 35 | 6 |
| | ----- | ----- |
| Total Retail..... | 12,736 | 2,113 |
| Total Wholesale..... | 840 | 195 |
| | ----- | ----- |
| Total..... | 13,576 | 2,308 |
| | ===== | ===== |

Met-Ed was formerly a wholly owned subsidiary of GPU, Inc., which merged with FirstEnergy Corp. (FirstEnergy) on November 7, 2001. Pre-merger period and post-merger period financial results are separated by a heavy black line.

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METROPOLITAN EDISON COMPANY

SELECTED FINANCIAL DATA

| | (Unaudited) December 31, 2002 | December 31, 2001 |
|--|----------------------------------|----------------------|
| ----- | | |
| (Dollars in thousands) | | |
| Total Assets..... | \$3,564,805 ===== | \$3,607,187 ===== |
| Total Liabilities..... | \$1,618,020 ===== | \$1,642,957 ===== |
| Capitalization: | | |
| Common Stockholder's Equity..... | \$1,315,586 | \$1,288,953 |
| Company-Obligated Trust Preferred Securities | 92,409 | 92,200 |
| Long-Term Debt..... | 538,790 ----- | 583,077 ----- |
| Total Capitalization..... | \$1,946,785 ===== | \$1,964,230 ===== |
| Capitalization Ratios: | | |
| Common Stockholder's Equity..... | 67.6% | 65.6% |
| Company-Obligated Trust Preferred Securities ... | 4.7 | 4.7 |
| Long-Term Debt..... | 27.7 ----- | 29.7 ----- |
| Total Capitalization..... | 100.0% ===== | 100.0% ===== |

(A): On January 17, 2003, the Pennsylvania Supreme Court denied further appeals of the February 21, 2002 Pennsylvania Commonwealth Court decision related to FirstEnergy's merger with GPU, Inc. The Commonwealth Court had overturned the Pennsylvania Public Utility Commission's order allowing Met-Ed to use deferred cost accounting treatment for Provider of Last Resort costs in excess of Met-Ed's fixed generation tariff. In 2002, Met-Ed incurred a \$40.2 million loss (\$23.5 million net of tax) related to the energy costs (included in the fuel and purchased power costs on the Consolidated Statements of Income) that otherwise would have been deferred absent the Commonwealth Court decision through August 31, 2002. Met-Ed entered into a wholesale power sale agreement with its unregulated supply affiliate FirstEnergy Solutions Corp. (FES), effective September 1, 2002. Under the terms of the wholesale agreement, FES assumes the supply obligation and the energy supply profit and loss risk for the portion of power supply requirements not self-supplied by Met-Ed under its nonutility generation and other existing power contracts with nonaffiliated third party suppliers.

This Form 8-K includes forward-looking statements based on information currently available to management. Such statements are subject to certain risks and uncertainties. These statements typically contain, but are not limited to, the terms "anticipate," "potential," "expect," "believe," "estimate" and similar words. Actual results may differ materially due to the speed and nature of

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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 market prices, legislative and regulatory changes or approvals (including revised environmental requirements), availability and cost of capital, inability to accomplish or realize anticipated benefits of strategic goals and other similar factors.

Item 7. Exhibits

| Exhibit No. ----- | Description ----- |
|----------------------|---|
| 12 | Consolidated Ratio of Earnings to Fixed Charges |

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

March 12, 2003

METROPOLITAN EDISON COMPANY

Registrant

/s/ Harvey L. Wagner

Harvey L. Wagner
Vice President and Controller

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