



Public Utilities Commission

Application to Commit
Energy Efficiency/Peak Demand
Reduction Programs
(Mercantile Customers Only)

Case No.: 11-2225-EL-EEC

Rule 4901:1-39-05(F), Ohio Administrative Code (O.A.C.), permits a mercantile customer to file, either individually or jointly with an electric utility, an application to commit the customer's existing demand reduction, demand response, and energy efficiency programs for integration with the electric utility's programs. The following application form is to be used by mercantile customers, either individually or jointly with their electric utility, to apply for commitment of such programs implemented during the prior three calendar years.

Completed applications requesting the cash rebate reasonable arrangement option (Option 1) in lieu of an exemption from the rider will be automatically approved on the sixty-first calendar day after filing, unless the Commission, or an attorney examiner, suspends or denies the application prior to that time. Completed applications requesting the exemption from the electric utilities' energy efficiency rider option (Option 2) will not qualify for the 60-day automatic approval.

Complete a separate application for each customer program. Projects undertaken by a customer as a single program at a single location or at various locations within the same service territory should be submitted together as a single program filing, when possible. Check all boxes that are applicable to your program. For each box checked, be sure to complete all subparts of the question, and provide all requested additional information. Submittal of incomplete applications may result in a suspension of the automatic approval process or denial of the application.

If you consider some of the items requested in the application to be confidential or trade secret information, please file a copy of the application under seal, along with a motion for protective order pertaining to the material you believe to be confidential. Please also file a copy of the application in the public docket, with the information you believe to be confidential redacted.

Section 1: Company Information

Name: Kichler Lighting

Principal address: 8001 East Pleasant Valley, Independence, OH 44131

Address of facility for which this energy efficiency program applies: 8001 East Pleasant Valley, Independence, OH 44131

Name and telephone number for responses to questions: Ralph Kelley

Electricity use by our company (at least one must apply to your company – check the box or boxes that apply):

- ☒ We use more than seven hundred thousand kilowatt hours per year at our facility. (Please attach documentation.)
- ☐ We are part of a national account involving multiple facilities in one or more states. (Please attach documentation.)

Section 2: Application Information

A) We are filing this application (choose which applies):

- ☐ Individually, on our own.
- ☒ Jointly with our electric utility.

B) Our electric utility is The Cleveland Electric Illuminating Company

C) We are offering to commit (choose which applies):

- ☐ Energy savings from our energy efficiency program. (Complete Sections 3, 5, 6, and 7.)
- ☐ Demand reduction from our demand response/demand reduction program. (Complete Sections 4, 5, 6, and 7.)
- ☒ Both the energy savings and the demand reduction from our energy efficiency program. (Complete all sections of the Application.)

1.) Cleveland Office Lighting

Section 3: Energy Efficiency Programs

A) Our energy efficiency program involves (choose whichever applies):

- ☒ Early replacement of fully functioning equipment with new equipment. (Provide the date on which you replaced your fully functioning equipment, and the date on which you would have replaced your equipment if you had not replaced it early. Please include a brief explanation for how you determined this future replacement date (or, if not known, please explain why this is not known). **See Exhibit 1 and Exhibit 2**
- ☐ Installation of new equipment to replace equipment that needed to be replaced. We installed our new equipment on the following date(s): **See Exhibit 2**
- ☐ Installation of new equipment for new construction or facility expansion. We installed our new equipment on the following date(s): **See Exhibit 2**

B) Energy savings achieved/to be achieved by your energy efficiency program:

- a) If you checked the box indicating that your project involves the early replacement of fully functioning equipment replaced with new equipment, then calculate the annual savings [(kWh used by the original equipment) - (kWh used by new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: 464,200kWh

- b) If you checked the box indicating that you installed new equipment to replace equipment that needed to be replaced, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by the higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

1.) Cleveland Office Lighting

- c) If you checked the box indicating that your project involves equipment for new construction or facility expansion, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____ kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

Section 4: Demand Reduction/Demand Response Programs

- A) Our program involves (choose which applies):

- ☒ Coincident peak-demand savings from our energy efficiency program.
- ☐ Actual peak-demand reduction. (Attach a description and documentation of the peak-demand reduction). **See Exhibit 1**
- ☐ Potential peak-demand reduction (choose which applies):

➤ Choose one or more of the following that applies:

- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a tariff of a regional transmission organization (RTO) approved by the Federal Energy Regulatory Commission.
- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a program that is equivalent to an RTO program, which has been approved by the Public Utilities Commission of Ohio.

- B) What is the date your peak demand reduction program was initiated? **See Exhibit 2**

- C) What is the peak demand reduction achieved or capable of being achieved (show calculations through which this was determined):

94.00 kW **See Exhibit 2**

**Section 5: Request for Cash Rebate Reasonable
Arrangement (Option 1) or Exemption from Rider (Option 2)**

Under this section, check the box that applies and fill in all blanks relating to that choice.

Note: If Option 2 is selected, the application will not qualify for the 60day automatic approval. All applications, however, will be considered on a timely basis by the Commission.

A) We are applying for:

☒ Option 1: A cash rebate reasonable arrangement.

OR

☐ Option 2: An exemption from the cost recovery mechanism implemented by the electric utility.

B) The value of the option that we are seeking is:

Option 1: A cash rebate reasonable arrangement, which is the lesser of (show both amounts):

☒ A cash rebate of \$ \$27,852 (Attach documentation showing the methodology used to determine the cash rebate value and calculations showing how this payment amount was determined).

OR

☐ A cash rebate valued at no more than 50% of the total project cost, which is equal to \$ _____ (Attach documentation and calculations showing how this payment amount was determined).

Option 2: An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider.

☐ An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for _____ months (not to exceed 24 months).

1.) Cleveland Office Lighting

(Attach calculations showing how this time period was determined).

OR

- ☐ Ongoing exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for an initial period of 24 months because this program is part of an ongoing efficiency program that is practiced by our organization. (Attach documentation that establishes your organization's ongoing efficiency program. In order to continue the exemption beyond the initial 24 month period your organization will need to provide a future application establishing additional energy savings and the continuance of the organization's energy efficiency program).

Section 6: Cost Effectiveness

The program is cost effective because it has a benefit/cost ratio greater than 1 using the (choose which applies):

- ☐ Total Resource Cost (TRC) Test. The calculated TRC value is: _____
(Continue to Subsection 1, then skip Subsection 2)
- ☒ Utility Cost Test (UCT). The calculated UCT value is: 4.3(Skip to Subsection 2).

Subsection 1: TRC Test Used (please fill in all blanks).

The TRC value of the program is calculated by dividing the value of our avoided supply costs (capacity and energy) by the sum of our program costs and our electric utility's administrative costs to implement the program.

Our avoided supply costs were _____.

Our program costs were _____.

The utility's administrative costs were _____.

1.) Cleveland Office Lighting

Subsection 2: UCT Used (please fill in all blanks).

We calculated the UCT value of our program by dividing the value of our avoided supply costs (capacity and energy) by the costs to our electric utility (including administrative costs and incentives paid or rider exemption costs) to obtain our commitment.

Our avoided supply costs were 143,104.

The utility's administrative costs were 5,529.

The utility's incentive costs/rebate costs were 27,852.

Section 7: Additional Information

Please attach the following supporting documentation to this application:

- Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment.
- A copy of the formal declaration or agreement that commits your program to the electric utility, including:
 - 1) any confidentiality requirements associated with the agreement;
 - 2) a description of any consequences of noncompliance with the terms of the commitment;
 - 3) a description of coordination requirements between you and the electric utility with regard to peak demand reduction;
 - 4) permission by you to the electric utility and Commission staff and consultants to measure and verify energy savings and/or peak-demand reductions resulting from your program; and,
 - 5) a commitment by you to provide an annual report on your energy savings and electric utility peak-demand reductions achieved.
- A description of all methodologies, protocols, and practices used or proposed to be used in measuring and verifying program results. Additionally, identify and explain all deviations from any program measurement and verification guidelines that may be published by the Commission.

2.) Cleveland Warehouse Lighting

Section 3: Energy Efficiency Programs

A) Our energy efficiency program involves (choose whichever applies):

- ☒ Early replacement of fully functioning equipment with new equipment. (Provide the date on which you replaced your fully functioning equipment, and the date on which you would have replaced your equipment if you had not replaced it early. Please include a brief explanation for how you determined this future replacement date (or, if not known, please explain why this is not known). **See Exhibit 1 and Exhibit 2**
- ☐ Installation of new equipment to replace equipment that needed to be replaced. We installed our new equipment on the following date(s): **See Exhibit 2**
- ☐ Installation of new equipment for new construction or facility expansion. We installed our new equipment on the following date(s): **See Exhibit 2**

B) Energy savings achieved/to be achieved by your energy efficiency program:

- a) If you checked the box indicating that your project involves the early replacement of fully functioning equipment replaced with new equipment, then calculate the annual savings [(kWh used by the original equipment) - (kWh used by new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: 2,070,015kWh

- b) If you checked the box indicating that you installed new equipment to replace equipment that needed to be replaced, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by the higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

2.) Cleveland Warehouse Lighting

- d) If you checked the box indicating that your project involves equipment for new construction or facility expansion, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____ kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

Section 4: Demand Reduction/Demand Response Programs

- A) Our program involves (choose which applies):

- ☒ Coincident peak-demand savings from our energy efficiency program.
- ☐ Actual peak-demand reduction. (Attach a description and documentation of the peak-demand reduction). **See Exhibit 1**
- ☐ Potential peak-demand reduction (choose which applies):

➤ Choose one or more of the following that applies:

- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a tariff of a regional transmission organization (RTO) approved by the Federal Energy Regulatory Commission.
- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a program that is equivalent to an RTO program, which has been approved by the Public Utilities Commission of Ohio.

- B) What is the date your peak demand reduction program was initiated? **See Exhibit 2**

- C) What is the peak demand reduction achieved or capable of being achieved (show calculations through which this was determined):

276.00 kW **See Exhibit 2**

2.) Cleveland Warehouse Lighting

**Section 5: Request for Cash Rebate Reasonable
Arrangement (Option 1) or Exemption from Rider (Option 2)**

Under this section, check the box that applies and fill in all blanks relating to that choice.

Note: If Option 2 is selected, the application will not qualify for the 60day automatic approval. All applications, however, will be considered on a timely basis by the Commission.

A) We are applying for:

☒ Option 1: A cash rebate reasonable arrangement.

OR

☐ Option 2: An exemption from the cost recovery mechanism implemented by the electric utility.

B) The value of the option that we are seeking is:

Option 1: A cash rebate reasonable arrangement, which is the lesser of (show both amounts):

☒ A cash rebate of \$ \$124,201 (Attach documentation showing the methodology used to determine the cash rebate value and calculations showing how this payment amount was determined).

OR

☐ A cash rebate valued at no more than 50% of the total project cost, which is equal to \$ _____ (Attach documentation and calculations showing how this payment amount was determined).

Option 2: An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider.

☐ An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for _____ months (not to exceed 24 months).

2.) Cleveland Warehouse Lighting

(Attach calculations showing how this time period was determined).

OR

- ☐ Ongoing exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for an initial period of 24 months because this program is part of an ongoing efficiency program that is practiced by our organization. (Attach documentation that establishes your organization's ongoing efficiency program. In order to continue the exemption beyond the initial 24 month period your organization will need to provide a future application establishing additional energy savings and the continuance of the organization's energy efficiency program).

Section 6: Cost Effectiveness

The program is cost effective because it has a benefit/cost ratio greater than 1 using the (choose which applies):

- ☐ Total Resource Cost (TRC) Test. The calculated TRC value is: _____
(Continue to Subsection 1, then skip Subsection 2)
- ☒ Utility Cost Test (UCT). The calculated UCT value is: 4.39(Skip to Subsection 2).

Subsection 1: TRC Test Used (please fill in all blanks).

The TRC value of the program is calculated by dividing the value of our avoided supply costs (capacity and energy) by the sum of our program costs and our electric utility's administrative costs to implement the program.

Our avoided supply costs were _____.

Our program costs were _____.

The utility's administrative costs were _____.

Please Insert Project Name and Number

Subsection 2: UCT Used (please fill in all blanks).

We calculated the UCT value of our program by dividing the value of our avoided supply costs (capacity and energy) by the costs to our electric utility (including administrative costs and incentives paid or rider exemption costs) to obtain our commitment.

Our avoided supply costs were 638,144.

The utility's administrative costs were 21,062.

The utility's incentive costs/rebate costs were 124,201.

Section 7: Additional Information

Please attach the following supporting documentation to this application:

- Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment.
- A copy of the formal declaration or agreement that commits your program to the electric utility, including:
 - 6) any confidentiality requirements associated with the agreement;
 - 7) a description of any consequences of noncompliance with the terms of the commitment;
 - 8) a description of coordination requirements between you and the electric utility with regard to peak demand reduction;
 - 9) permission by you to the electric utility and Commission staff and consultants to measure and verify energy savings and/or peak-demand reductions resulting from your program; and,
 - 10) a commitment by you to provide an annual report on your energy savings and electric utility peak-demand reductions achieved.
- A description of all methodologies, protocols, and practices used or proposed to be used in measuring and verifying program results. Additionally, identify and explain all deviations from any program measurement and verification guidelines that may be published by the Commission.

3.) TRW Lighting

Section 3: Energy Efficiency Programs

A) Our energy efficiency program involves (choose whichever applies):

- ☒ Early replacement of fully functioning equipment with new equipment. (Provide the date on which you replaced your fully functioning equipment, and the date on which you would have replaced your equipment if you had not replaced it early. Please include a brief explanation for how you determined this future replacement date (or, if not known, please explain why this is not known). **See Exhibit 1 and Exhibit 2**
- ☐ Installation of new equipment to replace equipment that needed to be replaced. We installed our new equipment on the following date(s): **See Exhibit 2**
- ☐ Installation of new equipment for new construction or facility expansion. We installed our new equipment on the following date(s): **See Exhibit 2**

B) Energy savings achieved/to be achieved by your energy efficiency program:

- a) If you checked the box indicating that your project involves the early replacement of fully functioning equipment replaced with new equipment, then calculate the annual savings [(kWh used by the original equipment) - (kWh used by new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: 129,675kWh

- b) If you checked the box indicating that you installed new equipment to replace equipment that needed to be replaced, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by the higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

3.) TRW Lighting

- e) If you checked the box indicating that your project involves equipment for new construction or facility expansion, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

Section 4: Demand Reduction/Demand Response Programs

- A) Our program involves (choose which applies):

- ☒ Coincident peak-demand savings from our energy efficiency program.
- ☐ Actual peak-demand reduction. (Attach a description and documentation of the peak-demand reduction). **See Exhibit 1**
- ☐ Potential peak-demand reduction (choose which applies):

➤ Choose one or more of the following that applies:

- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a tariff of a regional transmission organization (RTO) approved by the Federal Energy Regulatory Commission.
- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a program that is equivalent to an RTO program, which has been approved by the Public Utilities Commission of Ohio.

- B) What is the date your peak demand reduction program was initiated? **See Exhibit 2**

- C) What is the peak demand reduction achieved or capable of being achieved (show calculations through which this was determined):

36.00 kW **See Exhibit 2**

3.) TRW Lighting

**Section 5: Request for Cash Rebate Reasonable
Arrangement (Option 1) or Exemption from Rider (Option 2)**

Under this section, check the box that applies and fill in all blanks relating to that choice.

Note: If Option 2 is selected, the application will not qualify for the 60day automatic approval. All applications, however, will be considered on a timely basis by the Commission.

A) We are applying for:

☒ Option 1: A cash rebate reasonable arrangement.

OR

☐ Option 2: An exemption from the cost recovery mechanism implemented by the electric utility.

B) The value of the option that we are seeking is:

Option 1: A cash rebate reasonable arrangement, which is the lesser of (show both amounts):

☒ A cash rebate of \$ \$7,781 (Attach documentation showing the methodology used to determine the cash rebate value and calculations showing how this payment amount was determined).

OR

☐ A cash rebate valued at no more than 50% of the total project cost, which is equal to \$ _____ (Attach documentation and calculations showing how this payment amount was determined).

Option 2: An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider.

☐ An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for _____ months (not to exceed 24 months).

3.) TRW Lighting

(Attach calculations showing how this time period was determined).

OR

- ☐ Ongoing exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for an initial period of 24 months because this program is part of an ongoing efficiency program that is practiced by our organization. (Attach documentation that establishes your organization's ongoing efficiency program. In order to continue the exemption beyond the initial 24 month period your organization will need to provide a future application establishing additional energy savings and the continuance of the organization's energy efficiency program).

Section 6: Cost Effectiveness

The program is cost effective because it has a benefit/cost ratio greater than 1 using the (choose which applies):

- ☐ Total Resource Cost (TRC) Test. The calculated TRC value is: _____
(Continue to Subsection 1, then skip Subsection 2)
- ☒ Utility Cost Test (UCT). The calculated UCT value is: 4.01(Skip to Subsection 2).

Subsection 1: TRC Test Used (please fill in all blanks).

The TRC value of the program is calculated by dividing the value of our avoided supply costs (capacity and energy) by the sum of our program costs and our electric utility's administrative costs to implement the program.

Our avoided supply costs were _____.

Our program costs were _____.

The utility's administrative costs were _____.

3.) TRW Lighting

Subsection 2: UCT Used (please fill in all blanks).

We calculated the UCT value of our program by dividing the value of our avoided supply costs (capacity and energy) by the costs to our electric utility (including administrative costs and incentives paid or rider exemption costs) to obtain our commitment.

Our avoided supply costs were 39,976.

The utility's administrative costs were 2,184.

The utility's incentive costs/rebate costs were 7,781.

Section 7: Additional Information

Please attach the following supporting documentation to this application:

- Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment.
- A copy of the formal declaration or agreement that commits your program to the electric utility, including:
 - 11) any confidentiality requirements associated with the agreement;
 - 12) a description of any consequences of noncompliance with the terms of the commitment;
 - 13) a description of coordination requirements between you and the electric utility with regard to peak demand reduction;
 - 14) permission by you to the electric utility and Commission staff and consultants to measure and verify energy savings and/or peak-demand reductions resulting from your program; and,
 - 15) a commitment by you to provide an annual report on your energy savings and electric utility peak-demand reductions achieved.
- A description of all methodologies, protocols, and practices used or proposed to be used in measuring and verifying program results. Additionally, identify and explain all deviations from any program measurement and verification guidelines that may be published by the Commission.

4.) Window Film

Section 3: Energy Efficiency Programs

A) Our energy efficiency program involves (choose whichever applies):

- ☒ Early replacement of fully functioning equipment with new equipment. (Provide the date on which you replaced your fully functioning equipment, and the date on which you would have replaced your equipment if you had not replaced it early. Please include a brief explanation for how you determined this future replacement date (or, if not known, please explain why this is not known). **See Exhibit 1 and Exhibit 2**
- ☐ Installation of new equipment to replace equipment that needed to be replaced. We installed our new equipment on the following date(s): **See Exhibit 2**
- ☐ Installation of new equipment for new construction or facility expansion. We installed our new equipment on the following date(s): **See Exhibit 2**

B) Energy savings achieved/to be achieved by your energy efficiency program:

- a) If you checked the box indicating that your project involves the early replacement of fully functioning equipment replaced with new equipment, then calculate the annual savings [(kWh used by the original equipment) - (kWh used by new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: 328,506kWh

- b) If you checked the box indicating that you installed new equipment to replace equipment that needed to be replaced, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by the higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

4.) Window Film

- f) If you checked the box indicating that your project involves equipment for new construction or facility expansion, then calculate the annual savings [(kWh used by less efficient new equipment) - (kWh used by higher efficiency new equipment) = (kWh per year saved)]. Please attach your calculations and record the results below:

Annual savings: _____kWh

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment. **See Exhibit 1**

Section 4: Demand Reduction/Demand Response Programs

- A) Our program involves (choose which applies):

- ☒ Coincident peak-demand savings from our energy efficiency program.
- ☐ Actual peak-demand reduction. (Attach a description and documentation of the peak-demand reduction). **See Exhibit 1**
- ☐ Potential peak-demand reduction (choose which applies):

➤ Choose one or more of the following that applies:

- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a tariff of a regional transmission organization (RTO) approved by the Federal Energy Regulatory Commission.
- ☐ Our peak-demand reduction program meets the requirements to be counted as a capacity resource under a program that is equivalent to an RTO program, which has been approved by the Public Utilities Commission of Ohio.

- B) What is the date your peak demand reduction program was initiated? **See Exhibit 2**

- C) What is the peak demand reduction achieved or capable of being achieved (show calculations through which this was determined):

4.00 kW **See Exhibit 2**

4.) Window Film

**Section 5: Request for Cash Rebate Reasonable
Arrangement (Option 1) or Exemption from Rider (Option 2)**

Under this section, check the box that applies and fill in all blanks relating to that choice.

Note: If Option 2 is selected, the application will not qualify for the 60day automatic approval. All applications, however, will be considered on a timely basis by the Commission.

A) We are applying for:

☒ Option 1: A cash rebate reasonable arrangement.

OR

☐ Option 2: An exemption from the cost recovery mechanism implemented by the electric utility.

B) The value of the option that we are seeking is:

Option 1: A cash rebate reasonable arrangement, which is the lesser of (show both amounts):

☒ A cash rebate of \$ \$19,710 (Attach documentation showing the methodology used to determine the cash rebate value and calculations showing how this payment amount was determined).

OR

☐ A cash rebate valued at no more than 50% of the total project cost, which is equal to \$ _____ (Attach documentation and calculations showing how this payment amount was determined).

Option 2: An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider.

☐ An exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for _____ months (not to exceed 24 months).

4.) Window Film

(Attach calculations showing how this time period was determined).

OR

- ☐ Ongoing exemption from payment of the electric utility's energy efficiency/peak demand reduction rider for an initial period of 24 months because this program is part of an ongoing efficiency program that is practiced by our organization. (Attach documentation that establishes your organization's ongoing efficiency program. In order to continue the exemption beyond the initial 24 month period your organization will need to provide a future application establishing additional energy savings and the continuance of the organization's energy efficiency program).

Section 6: Cost Effectiveness

The program is cost effective because it has a benefit/cost ratio greater than 1 using the (choose which applies):

- ☐ Total Resource Cost (TRC) Test. The calculated TRC value is: _____
(Continue to Subsection 1, then skip Subsection 2)
- ☒ Utility Cost Test (UCT). The calculated UCT value is: 4.24(Skip to Subsection 2).

Subsection 1: TRC Test Used (please fill in all blanks).

The TRC value of the program is calculated by dividing the value of our avoided supply costs (capacity and energy) by the sum of our program costs and our electric utility's administrative costs to implement the program.

Our avoided supply costs were _____.

Our program costs were _____.

The utility's administrative costs were _____.

4.) Window Film

Subsection 2: UCT Used (please fill in all blanks).

We calculated the UCT value of our program by dividing the value of our avoided supply costs (capacity and energy) by the costs to our electric utility (including administrative costs and incentives paid or rider exemption costs) to obtain our commitment.

Our avoided supply costs were 101,272.

The utility's administrative costs were 4,172.

The utility's incentive costs/rebate costs were 19,710.

Section 7: Additional Information

Please attach the following supporting documentation to this application:

- Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment.
- A copy of the formal declaration or agreement that commits your program to the electric utility, including:
 - 16) any confidentiality requirements associated with the agreement;
 - 17) a description of any consequences of noncompliance with the terms of the commitment;
 - 18) a description of coordination requirements between you and the electric utility with regard to peak demand reduction;
 - 19) permission by you to the electric utility and Commission staff and consultants to measure and verify energy savings and/or peak-demand reductions resulting from your program; and,
 - 20) a commitment by you to provide an annual report on your energy savings and electric utility peak-demand reductions achieved.
- A description of all methodologies, protocols, and practices used or proposed to be used in measuring and verifying program results. Additionally, identify and explain all deviations from any program measurement and verification guidelines that may be published by the Commission.



Public Utilities Commission

Application to Commit
Energy Efficiency/Peak Demand
Reduction Programs
(Mercantile Customers Only)

Case No.: 11-2225-EL-EEC

State of Ohio :

ROY MINOFF

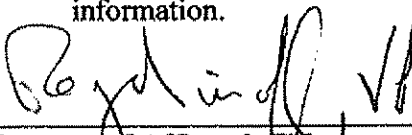
~~Ralph Kelley~~, Affiant, being duly sworn according to law, deposes and says that:

1. I am the duly authorized representative of:

Kichler Lighting

[insert customer or EDU company name and any applicable name(s) doing business as]

2. I have personally examined all the information contained in the foregoing application, including any exhibits and attachments. Based upon my examination and inquiry of those persons immediately responsible for obtaining the information contained in the application, I believe that the information is true, accurate and complete.
3. I am aware of fines and penalties which may be imposed under Ohio Revised Code Sections 2921.11, 2921.31, 4903.02, 4903.03, and 4903.99 for submitting false information.


Signature of Affiant & Title

Sworn and subscribed before me this 10th day of June, 2010 Month/Year


Signature of official administering oath

Print Name and Title

My commission expires on _____

ELLEN R. STEIN, Atty.
NOTARY PUBLIC • STATE OF OHIO
My Commission Has No Expiration Date
Section 147.03 O.R.C.

Revised October 28th, 2010

-4-

FE Rev 4.25.11

Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment.

What date would you have replaced your equipment if you had not replaced it early? Also, please explain briefly how you determined this future replacement date.

Description of methodologies, protocols and practices used in measuring and verifying project results

Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment:

Project No. Project Name

1	Cleveland Office Lighting	The 130,000 square foot administrative office portion of Kichler's Headquarters facility utilized outdated, inefficient lighting comprised of Incandescent lamps, metal-halide, and T12 fluorescent with magnetic ballasts. The existing lighting was estimated to have been installed more than ten years ago and all fixtures were in good working order. Lighting was replaced in 2008 with primarily energy efficient T8 fluorescent with electronic ballasts on a new or retro-fit basis, with motion sensors added as appropriate. A variety of new Westinghouse fixtures and retro-fit kits were purchased for this project. Key examples of lighting upgrades include: (1) 2'x4' troffer (3) F40/34T12 lamps, 2 mag ballasts to 2'x4' parabolic troffer (3) 28W or 25W T8 lamps, 1 electronic ballast; (2) 1'x4' prismatic troffer (2) F40/34T12 lamps, 1 magnetic ballast to 1'x4' (2) 28W or 25W T8, 1 electronic ballast; (3) 65W R30 incandescent lamps to 841 series CFL lamps; (4) 60W incand. wall sconces to 13W CFL lamps; (5) 400W metal-halide wall sconces to 320W metal-halide pulse start sconces.	A detailed lighting audit was performed by Tri-State Light & Energy that included metering and data logging. Please see Attachment A: Kichler Lighting Project 1 Energy Calculations for specific results for each physical space. Calculations are in accordance with IPMVP Option A.	Kichler did not have an anticipated future date for replacement. The installed lighting was considered appropriate for the foreseeable future. There was some concern for planned future phase out dates for T12 fluorescent lamps and incandescent lamps required by law, but the company considered these dates far enough in the future and not an immediate concern.	N/A
2	Cleveland Warehouse Lighting	The roughly 450,000 square foot warehouse portion of Kichler's Headquarters facility utilized outdated, inefficient lighting comprised of metal-halide, high pressure sodium and T12 fluorescent with magnetic ballasts. The existing lighting was estimated to have been installed more than ten years ago and all fixtures were in good working order. Lighting was replaced in 2006 with energy efficient T5 fluorescent with electronic ballasts in new fixtures, with motion sensors added on most fixtures. We purchased Westinghouse fixtures for this project. Specifically lighting upgrades included high-bay 465W metal halide and high pressure sodium fixtures along with 8 foot F96T12 fluorescent fixtures to T5HO, 2 lamp, 3 lamp and 4 lamp fixtures with motion sensors.	A detailed lighting audit was performed by Westinghouse Lighting Solutions. Please see Attachment B: Kichler Lighting Project 2 Lighting Calculations for specific results for each physical space. Calculations are in accordance with IPMVP Option A.	We did not plan to change these fixtures since lamps and ballasts can be replaced indefinitely.	N/A
3	TRW Lighting	The TRW office space at Kichler's Headquarters facility utilized outdated, inefficient lighting. See Attachment 3 for a complete listing of the various light fixtures. The existing lighting was estimated to have been installed more than ten years ago and all fixtures were in good working order. Lighting was replaced in 2010 with primarily energy efficient T8 fluorescent with electronic ballasts on a new or retro-fit basis, with motion sensors added as appropriate. A variety of new fixtures and retro-fit kits were purchased for this project. Attachment C shows the detail of the many various types of fixtures replaced.	A detailed lighting audit was performed by Westinghouse Lighting Solutions. Please see Attachment C: Kichler Lighting Project 3 Lighting Calculations for specific results for each physical space. Calculations are in accordance with IPMVP Option A.	We did not plan to change these fixtures since lamps and ballasts can be replaced indefinitely.	N/A
4	Window Film	Lumar window film, E-1220 Silver SR CDF, R-20 and RK-20 were added to the existing windows to reduce solar heat gain in summer and reduce internal heat loss in winter.	The energy savings are based on the U.S. Dept. of Energy's DOE-2 energy simulation program known as Demand Analyzer by ITEM Solutions.	N/A	Kichler would not have installed window film.

Exhibit 2

Customer Legal Entity Name: Kichler Lighting
 Site Address: Kichler Lighting Headquarters
 Principal Address: 8001 E. Pleasant Valley

		Unadjusted Usage, kwh (A)	Weather Adjusted Usage, kwh (B)	Weather Adjusted Usage with Energy Efficiency Addbacks, kwh (c)
		Note 1		
2010		3,721,978	3,721,978	6,632,661
2009		3,418,497	3,418,497	6,281,218
2008		3,605,238	3,605,238	5,838,692
Average		3,581,904	3,581,904	6,250,857

Project Number	Project Name	In-Service Date	Project Cost \$	50% of Project Cost \$	KWh Saved/Year (D) counting towards utility compliance	KWh Saved/Year (E) eligible for incentive	Utility Peak Demand Reduction Contribution, KW (F)	Eligible Rebate Amount \$	Commitment Payment \$
1	Cleveland Office Lighting	11/19/08	\$145,943	\$72,972	464,200	464,200	94	\$27,852	
2	Cleveland Warehouse Lighting	11/10/06	\$365,588	\$182,794	2,070,015	2,070,015	276	\$124,201	
3	TRW Lighting	8/19/10	\$50,580	\$25,290	129,675	129,675	36	\$7,781	
4	Window Film	9/2/08	\$49,829	\$24,915	328,506	328,506	4	\$19,710	

Exhibit 3 Utility Cost Test

UCT = Utility Avoided Costs / Utility Costs

Project	Total Annual Savings, MWh (A)	Utility Avoided Cost \$/MWh (B)	Utility Avoided Cost \$ (C)	Utility Cost \$ (D)	Cash Rebate \$ (E)	Administrator Variable Fee \$ (F)	Total Utility Cost \$ (G)	UCT (H)
1	464	\$ 308	\$ 143,104	\$ 887	\$ 27,852	\$ 4,642	\$ 33,381	4.3
2	2,070	\$ 308	\$ 638,144	\$ 887	\$ 124,201	\$ 20,175	\$ 145,262	4.39
3	130	\$ 308	\$ 39,976	\$ 887	\$ 7,781	\$ 1,297	\$ 9,964	4.01
4	329	\$ 308	\$ 101,272	\$ 887	\$ 19,710	\$ 3,285	\$ 23,882	4.24
		\$ 308						
		\$ 308						
		\$ 308						
Total	2,992	\$ 308	922,496	3,546	179,544	29,399	212,489	4.3

Notes

(A) From Exhibit 2, = kWh saved / 1000
(B)

This value represents avoided energy costs (wholesale energy prices) from the Department of Energy, Energy Information Administration's 2009 Annual Energy Outlook (AEO) low oil prices case. The AEO represents a national average energy price, so for a better representation of the energy price that Ohio customers would see, a Cinergy Hub equivalent price was derived by applying a ratio based on three years of historic national average and Cinergy Hub prices. This value is consistent with avoided cost assumptions used in EE&PDR Program Portfolio and Initial Benchmark Report, filed Dec 15, 2009 (See Section 8.1, paragraph a).

(C) = (A) * (B)
(D)

Represents the utility's costs incurred for self-directed mercantile applications for applications filed and applications in progress. Includes incremental costs of legal fees, fixed administrative expenses, etc.

(E) This is the amount of the cash rebate paid to the customer for this project.

(F) Based on approximate Administrator's variable compensation for purposes of calculating the UCT, actual compensation may be less.

(G) = (D) + (E) + (F)

(H) = (G) / (G)

Kichler Lighting - Kichler Lighting Headquarters
Docket No. 11-2225

Site: 8001 E. Pleasant Valley

Attachment A : Kichler Lighting Project 1 ~~Energy~~ Calculations

Docket # 11-2225

Estimated Savings

PROJECT: Kichler - Cleveland (28w / Sensors)

Rate: The Illuminating Company

Marginal Cost per Kilo-Watt: \$29.17

Marginal Cost per Kilo-Watt Hour: \$0.02245

Description	Qty.	Fixtures	Lighting Load (kW)	Suggested Energy Measure	KW Saved	Annual kWh Saved	Annual Dollars Saved	Installed Cost	Break Even Years	10 Year Savings

Lighting Upgrade Costs (2360) Inc/Fluor/HID	215.787	T8/Elec. Ballasts	93.620	464,201	\$43,262	\$145,943	3.37	\$432,620
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New Fixtures
Occupancy Sensors

With Additional Maintenance Savings

2.39

Docket# 11-2225

Energy Efficient Lighting Upgrade / Occupancy Sensors

Lighting Audit & Energy Calculations

PROJECT:	Kichler - Cleveland (28w / Sensors)			
FLOOR:	All	Page	12	of 12

EXISTING LIGHTING FIXTURES										LIGHTING UPGRADE FIXTURES										UPGRADE SAVINGS		OCCUPANCY SENSOR SAVINGS					
Location	Fixture Type	A		B	C		D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R						
		Input kW /Fix.	No. of Fix.		Total kW (AxB)	Annual Oper. Hours																Annual kWh (CxD)	ECM No.	Upgrade Description	Upgr. Lamps /Fix.	Upgr. Ballast /Fix.	Upgrade kW /Fix.
Sub Total Page 1				208	13,985			40,068						12,811	35,749	1,174	4,319		12,420		0,341						
Sub Total Page 2				194	19,538			95,276						12,495	64,098	7,043	31,178		5,709		0,234						
Sub Total Page 3				171	12,927			37,085						8,866	25,932	4,061	11,154		3,341		0,154						
Sub Total Page 4				216	17,143			68,195						8,397	31,918	8,746	36,277		8,206		0,211						
Sub Total Page 5				93	9,123			28,922						4,144	13,139	4,979	15,783		3,920		0,135						
Sub Total Page 6				259	24,092			97,702						12,802	46,818	11,290	50,883		15,130		0,139						
Sub Total Page 7				257	22,454			68,323						17,767	54,342	4,687	13,981		18,261		0,273						
Sub Total Page 8				217	22,942			65,631						12,694	38,314	10,248	27,317		11,299		0,181						
Sub Total Page 9				257	24,257			88,340						12,543	43,162	11,714	45,178		14,769		0,168						
Sub Total Page 10				395	35,961			106,225						16,690	51,092	19,271	55,132		21,134		0,217						
Sub Total Page 11				93	13,365			76,897						4,905	28,215	8,460	48,682		10,128		0,094						
Total				2360	215,787			772,663						124,114	432,778	91,673	339,885		124,316		2,147						

Total kW saved =

$$91.673 + 2.147 = 94$$

Total kWh saved:

$$\begin{array}{r} 339,885 \\ + 124,316 \\ \hline 464,201 \text{ kWh} \end{array}$$

Attachment B: Kehler Lighting Project & Lighting Calculations
Docket # 11-2225

Existing Kwh (Taken from Audit Sheet)	3,388,440
Kwh Rate	\$0.090
	\$304,959.60

Proposed Kwh (Taken from Audit Sheet)	1,318,425
Kwh Rate	\$0.090
	\$118,658.25

Existing Annual Energy Costs	\$304,959.60
Proposed Annual Energy Costs	\$118,658.25
Annual Energy Savings	\$186,301.35

Existing System Watts	451,792
Proposed System Watts	175,790
Watts Saved	276,002

Existing Kwh	3,388,440
Proposed Kwh	1,318,425
Kwh Saved	2,070,015

Annual Energy Savings (Lighting Only)	\$186,301.35
Net Project Cost	\$365,587.64
Project Payback in Months	23.5
1st Year Return on Investment	51%

Annual Energy Savings	\$186,301.35
Annual Air Conditioning Savings	\$0.00
Annual Maintenance Savings	\$14,904.11
Total Annual Savings	\$201,205.46

Existing KW (watts x .001)	452
Proposed KW (watts x .001)	176
Annual KW Demand Savings	276

Amp Savings = Total System Watts / System Volts

Existing System Amps	1631
Proposed System Amps	635
Amps Saved	996

Westinghouse Industrial Lighting Solutions

Audit Date:	4/6/2005	
Company Name:	Kichler Lighting	
Plant Contact:	Ralph Kelley	
Project Name:	Cleveland Distribution Center	
Project Location:	Cleveland, OH	
Sensor Status:	Without Occupancy Sensors	
Labor Status:	Estimated Installation Labor Included*****	
Goal:	Energy Reduction and Lighting Improvement	
Annual Hours:	7500	
Cost Per Kwh:	\$0.0900	
System Voltage:	277	
Sales Tax Rate:	6.00%	
Age of Current System in Years:	20	
	Qualified Reb	
	Estimated Annual HVAC Savings	
	Estimated Cost of Installation:	\$110,000.00

Estimated Annual HVAC Savings
Estimated Cost of Installation: \$110,000.00

Suggested Retrofit

* Assuming the fixtures to be operational for 25% of total operating hours per year if applicable.

*** See attached "HVAC Energy Savings Calculations" page.

Audit Sheet

Attachment C: Kichler Lighting Project 3 Lighting Calculations

Docket # 11-2225

Estimated Savings

PROJECT: Kichler - TRW Space (28w)

Rate: The Illuminating Company

Marginal Cost per Kilo-Watt: \$29.17

Marginal Cost per Kilo-Watt Hour: \$0.02245

Description	Qty.	Fixtures	Lighting Load (kW)	Suggested Energy Measure	kW Saved	Annual kWh Saved	Annual Dollars Saved	Installed Cost	Break Even Years	10 Year Savings

Lighting Upgrade Costs	(831) Inc/Fluor/HID	71.494		T8/Elec. Ballasts	36.861	129,675	\$15,814	\$50,580	3.20	\$158,139
and Energy Savings				Occupancy Sensors						

With Additional Maintenance Savings

2.28

Attachment D: Kichler Lighting Project 4 Energy Calculations



SUNCONTROL

Pocket # 11-2225

7-29-08

Ralph Kelly
Management
Kichler Lighting
7711 E. Pleasant Valley RD.
Cleveland OH 44131, Ohio 44131

Dear Ralph Kelly :

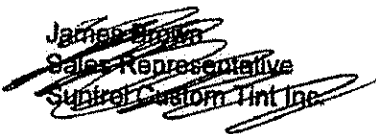
The attached economic analysis report was completed using Demand Analyzer, an energy simulation software package developed by ITEM Systems. As demonstrated within the report, the application of solar control window film to your building may result in significant energy cost savings. For the products considered, the projected annual savings is \$42,159 and the minimum payback period is 1.51 years.

Demand Analyzer utilizes the U.S. Department of Energy's sophisticated DOE-2 building energy analysis software for estimating energy savings for building projects. DOE-2 is a whole-building analysis program that calculates energy use and operating cost for each hour of the year, using typical weather data for the selected location. DOE-2 is widely used by consulting engineers for the design of energy-efficient buildings; by researchers for impact analysis of new heating, cooling and lighting technologies; and by state and federal agencies for developing energy-efficiency standards. DOE-2 is internationally recognized for the accuracy of its energy analysis algorithms as well as its ability to model a variety of buildings, HVAC systems and energy conservation measures. Additional information about ITEM Systems and Demand Analyzer is available at <http://www.halcyon.com/byrne> and DOE-2 information can be found at <http://gundog.fbl.gov>.

The attached report summarizes the information used to model your building and the resulting energy and cost savings for each solar film option. We hope this analysis is helpful in your selection of a solar film for your building.

Thank you for your consideration of Suntrol Custom Tint Inc. products.

Sincerely,


James Brown
Sales Representative
Suntrol Custom Tint Inc.

7-29-08

Prepared By:

~~James Brown~~
~~Sales Representative~~
~~Suntrol Custom Tint Inc.~~

Project:
Project Location:
Climate Zone Used:

Kichler Lighting
Independance OH
Cleveland, OH

Economic Analysis Summary

	Annual Energy Cost (\$)	Annual Energy Cost Savings (\$)	Installed Cost (\$)	Simple Payback (Years)
<i>Kichler Lighting</i>	864,708	-----	-----	-----
<i>Kichler Lighting (E1220)</i>	822,549	42,159	63,405	1.51

The energy savings shown are based on methods using the U.S. Department of Energy's DOE-2 energy simulation program. The methods used are believed to be reliable, but the accuracy and completeness thereof is not and cannot be guaranteed. Neither the party presenting this report, AIMCAL, the referenced film manufacturer, or the film seller assumes liability in connection with the inability to realize the estimated energy savings shown.

Mercantile Customer Project Commitment Agreement
Cash Rebate Option

THIS MERCANTILE CUSTOMER PROJECT COMMITMENT AGREEMENT ("Agreement") is made and entered into by and between The Cleveland Electric Illuminating Company, its successors and assigns (hereinafter called the "Company") and Kichler Lighting, Taxpayer ID No. 34-0330095 its permitted successors and assigns (hereinafter called the "Customer") (collectively the "Parties" or individually the "Party") and is effective on the date last executed by the Parties as indicated below.

WITNESSETH

WHEREAS, the Company is an electric distribution utility and electric light company, as both of these terms are defined in R.C. § 4928.01(A); and

WHEREAS, Customer believes that it is a mercantile customer, as that term is defined in R.C. § 4928.01(A)(19), doing business within the Company's certified service territory; and

WHEREAS, R.C. § 4928.66 (the "Statute") requires the Company to meet certain energy efficiency and peak demand reduction ("EE&PDR") benchmarks; and

WHEREAS, when complying with certain EE&PDR benchmarks the Company may include the effects of mercantile customer-sited EE&PDR projects; and

WHEREAS, Customer has certain customer-sited demand reduction, demand response, or energy efficiency project(s) as set forth in attached Exhibit A (the "Customer Energy Project(s)") that it desires to commit to the Company for integration into the Company's Energy Efficiency & Peak Demand Reduction Program Portfolio Plan ("Company Plan") that the Company will implement in order to comply with the Statute; and

WHEREAS, the Customer, pursuant to the Public Utilities Commission of Ohio's ("Commission") September 15, 2010 Order in Case No. 10-834-EL-EEC, desires to pursue a cash rebate of some of the costs pertaining to its Customer Energy Project(s) ("Cash Rebate").

WHEREAS, Customer's decision to commit its Customer Energy Project(s) to the Company for inclusion in the Company Plan has been reasonably encouraged by the possibility of a Cash Rebate.

WHEREAS, in consideration of, and upon receipt of, said cash rebate, Customer will commit the Customer Energy Project(s) to the Company and will comply with all other terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. **Customer Energy Projects.** Customer hereby commits to the Company and Company accepts for integration into the Company Plan the Customer Energy Project(s) set forth on attached Exhibit 1. Said commitment shall be for the life of the Customer Energy Project(s). Company will incorporate said project(s) into the Company Plan to the extent that such projects qualify. In so committing, Customer acknowledges that the information provided to the Company about the Customer Energy Project(s) is true and accurate to the best of its knowledge.
 - a. By committing the Customer Energy Project(s) to the Company, Customer acknowledges and agrees that the Company shall control the use of the kWh and/or kW reductions

resulting from said projects for purposes of complying with the Statute. It is expressly agreed that Customer may use any and all energy related and other attributes created from the Customer Energy Project(s) to the extent permitted by state or federal laws or regulations, provided, and to the extent, that such uses by Customer do not conflict with said compliance by the Company.

- b. The Company acknowledges that some of Customer's Energy Projects contemplated in this paragraph may have been performed under certain other federal and/or state programs in which certain parameters are required to be maintained in order to retain preferential financing or other government benefits (individually and collectively, as appropriate, "Benefits"). In the event that the use of any such project by the Company in any way affects such Benefits, and upon written request from the Customer, Company will release said Customer's Energy Project(s) to the extent necessary for Customer to meet the prerequisites for such Benefits. Customer acknowledges that such release (i) may affect Customer's cash rebate discussed in Article 3 below; and (ii) will not affect any of Customer's other requirements or obligations.
 - c. Any future Customer Energy Project(s) committed by Customer shall be subject to a separate application and, upon approval by the Commission, said projects shall become part of this Agreement.
 - d. Customer will provide Company or Company's agent(s) with reasonable assistance in the preparation of the Commission's standard joint application for approval of this Agreement ("Joint Application") that will be filed with the Commission, with such Joint Application being consistent with then current Commission requirements.
 - e. Upon written request and reasonable advance notice, Customer will grant employees or authorized agents of either the Company or the Commission reasonable, pre-arranged access to the Customer Energy Project(s) for purposes of measuring and verifying energy savings and/or peak demand reductions resulting from the Customer Energy Project(s). It is expressly agreed that consultants of either the Company or the Commission are their respective authorized agents.
2. **Joint Application to the Commission.** The Parties will submit the Joint Application using the Commission's standard "Application to Commit Energy Efficiency/Peak Demand Reduction Programs" ("Joint Application") in which they will seek the Commission's approval of (i) this Agreement; (ii) the commitment of the Customer Energy Project(s) for inclusion in the Company Plan; and (iii) the Customer's Cash Rebate.

The Joint Application shall include all information as set forth in the Commission's standard form which, includes without limitation:

- i. A narrative description of the Customer Energy Project(s), including but not limited to, make, model and year of any installed and/or replaced equipment;
 - ii. A copy of this Agreement; and
 - iii. A description of all methodologies, protocols, and practices used or proposed to be used in measuring and verifying program results.
3. **Customer Cash Rebate and Annual Report.** Upon Commission approval of the Joint Application, Customer shall provide Company with a W-9 tax form, which shall at a minimum include Customer's tax identification number. Within the greater of 90 days of the Commission's approval of the Joint Application or the completion of the Customer Energy Project, the Company

will issue to the Customer the Cash Rebate in the amount set forth in the Commission's Finding and Order approving the Joint Application.

- a. Customer acknowledges: i) that the Company will cap the Cash Rebate at the lesser of 50% of Customer Energy Project(s) costs or \$250,000; ii) the maximum rebate that the Customer may receive per year is \$500,000 per Taxpayer Identification Number per utility service territory; and iii) if the Customer Energy Project qualifies for a rebate program approved by the Commission and offered by the Company, Customer may still elect to file such project under the Company's mercantile customer self direct program, however the Case Rebate that will be paid shall be discounted by 25%; and
- b. Customer acknowledges that breaches of this Agreement, include, but are not limited to:
 - i. Customer's failure to comply with the terms and conditions set forth in the Agreement, or its equivalent, within a reasonable period of time after receipt of written notice of such non-compliance;
 - ii. Customer knowingly falsifying any documents provided to the Company or the Commission in connection with this Agreement or the Joint Application.
- c. In the event of a breach of this Agreement by the Customer, Customer agrees and acknowledges that it will repay to the Company, within 90 days of receipt of written notice of said breach, the full amount of the Cash Rebate paid under this Agreement. This remedy is in addition to any and all other remedies available to the Company by law or equity.

4. Termination of Agreement. This Agreement shall automatically terminate:

- a. If the Commission fails to approve the Joint Agreement;
- b. Upon order of the Commission; or
- c. At the end of the life of the last Customer Energy Project subject to this Agreement.

Customer shall also have an option to terminate this Agreement should the Commission not approve the Customer's Cash Rebate, provided that Customer provides the Company with written notice of such termination within ten days of either the Commission issuing a final appealable order or the Ohio Supreme Court issuing its opinion should the matter be appealed.

5. Confidentiality. Each Party shall hold in confidence and not release or disclose to any person any document or information furnished by the other Party in connection with this Agreement that is designated as confidential and proprietary ("Confidential Information"), unless: (i) compelled to disclose such document or information by judicial, regulatory or administrative process or other provisions of law; (ii) such document or information is generally available to the public; or (iii) such document or information was available to the receiving Party on a non-confidential basis at the time of disclosure.

- a. Notwithstanding the above, a Party may disclose to its employees, directors, attorneys, consultants and agents all documents and information furnished by the other Party in connection with this Agreement, provided that such employees, directors, attorneys, consultants and agents have been advised of the confidential nature of this information and through such disclosure are deemed to be bound by the terms set forth herein.

- b. A Party receiving such Confidential Information shall protect it with the same standard of care as its own confidential or proprietary information.
 - c. A Party receiving notice or otherwise concluding that Confidential Information furnished by the other Party in connection with this Agreement is being sought under any provision of law, to the extent it is permitted to do so under any applicable law, shall endeavor to: (i) promptly notify the other Party; and (ii) use reasonable efforts in cooperation with the other Party to seek confidential treatment of such Confidential Information, including without limitation, the filing of such information under a valid protective order.
 - d. By executing this Agreement, Customer hereby acknowledges and agrees that Company may disclose to the Commission or its Staff any and all Customer information, including Confidential Information, related to a Customer Energy Project, provided that Company uses reasonable efforts to seek confidential treatment of the same.
6. **Taxes.** Customer shall be responsible for all tax consequences (if any) arising from the payment of the Cash Rebate.
7. **Notices.** Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement must be in writing and must be delivered or sent by overnight express mail, courier service, electronic mail or facsimile transmission addressed as follows:

If to the Company:

FirstEnergy Service Company
76 South Main Street
Akron, OH 44308
Attn: Victoria Nofziger
Telephone: 330-384-4684
Fax: 330-761-4281
Email: vmnofziger@firstenergycorp.com

If to the Customer:

Kichler Lighting
7711 East Pleasant Valley Road
Cleveland, OH 44131
Attn: Ralph Kelley
Telephone: (216) 573-1005 ext. 6239
Email: rkelly@kichler.com

or to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the business day will be deemed received on the next business day; provided that notice by facsimile transmission will be deemed to have been received by the recipient if the recipient confirms receipt telephonically or in writing.

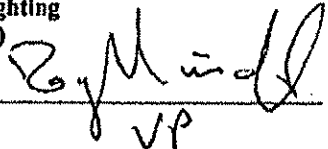
8. **Authority to Act.** The Parties represent and warrant that they are represented by counsel in connection with this Agreement, have been fully advised in connection with the execution thereof, have taken all legal and corporate steps necessary to enter into this Agreement, and that the undersigned has the authority to enter into this Agreement, to bind the Parties to all provisions herein and to take the actions required to be performed in fulfillment of the undertakings contained herein.
9. **Non-Waiver.** The delay or failure of either party to assert or enforce in any instance strict performance of any of the terms of this Agreement or to exercise any rights hereunder conferred, shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or rights at any later time or on any future occasion.
10. **Entire Agreement.** This Agreement, along with related exhibits, and the Company's Rider DSE, or its equivalent, as amended from time to time by the Commission, contains the Parties' entire understanding with respect to the matters addressed herein and there are no verbal or collateral representations, undertakings, or agreements not expressly set forth herein. No change in, addition to, or waiver of the terms of this Agreement shall be binding upon any of the Parties unless the same is set forth in writing and signed by an authorized representative of each of the Parties. In

the event of any conflict between Rider DSE or its equivalent and this document, the latter shall prevail.

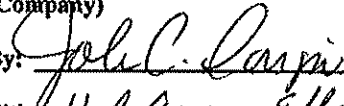
11. **Assignment.** Customer may not assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the Company, which consent will not be unreasonably withheld. No assignment of this Agreement will relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee and all necessary consents have been obtained.
12. **Severability.** If any portion of this Agreement is held invalid, the Parties agree that such invalidity shall not affect the validity of the remaining portions of this Agreement, and the Parties further agree to substitute for the invalid portion a valid provision that most closely approximates the economic effect and intent of the invalid provision.
13. **Governing Law.** This Agreement shall be governed by the laws and regulations of the State of Ohio, without regard to its conflict of law provisions.
14. **Execution and Counterparts.** This Agreement may be executed in multiple counterparts, which taken together shall constitute an original without the necessity of all parties signing the same page or the same documents, and may be executed by signatures to electronically or telephonically transmitted counterparts in lieu of original printed or photocopied documents. Signatures transmitted by facsimile shall be considered original signatures.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year set forth below.

Kichler Lighting
(Customer)

By: 
Title: VP
Date: 6/10/11

The Cleveland Electric Illuminating Company
(Company)

By: 
Title: V.P. Energy Efficiency
Date: 6-20-11

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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in

Case No(s). 11-2225-EL-EEC

Summary: Application of The Cleveland Electric Illuminating Company and Kichler Lighting to Commit Energy Efficiency/Peak Demand Reduction Programs electronically filed by Mr. Kevin P. Shannon on behalf of The Cleveland Electric Illuminating Company