

August 26, 2011

Mr. Greg Scheck  
Public Utilities Commission of Ohio  
180 E. Broad St.  
Columbus, OH 43215

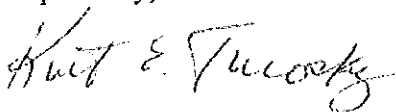
Re: Case Nos. 09-1948-EL-POR; 09-1943-EL-EEC; 09-581-EL-EEC

Pursuant to O.A.C. 4901:1-39-05(C)(2)(c), Ohio Edison Company ("Ohio Edison" or "Company") is seeking written Staff approval to reallocate \$4,636,000 of funds between programs serving the Mercantile customer class. The reallocation supports the goals of its approved 2010 – 2012 program portfolio plan and is less than 25% of the \$18,547,231 Mercantile class budget approved by the Commission in cases 09-1948-EL-POR, 09-1943-EL-EEC, and 09-581-EL-EEC. This request does not expand the total budget for this customer class, nor that of the Company's approved portfolio plan.

Specifically, this reallocation seeks to shift \$4,636,000 within the Mercantile customer class from its *Interruptible Demand Reduction Program* to its *C/I Equipment Program (Commercial Lighting)*. This program adjustment is reasonable and better positions the Company to achieve its 2011-2012 energy efficiency and peak demand reduction targets in a cost effective manner. The Company's *C/I Equipment (Commercial Lighting)* program has proven extremely popular with customers. Since launching this program in March 2011, incoming applications have already exceeded the program's 3 year budget. The Company projects customer demand for this program to continue and anticipates that these additional funds will be exhausted during the portfolio plan period. Further, the Company projects that the costs to implement its *Interruptible Demand Reduction Program* in 2011 and 2012 will fall below the originally approved budget, thus allowing these funds to be shifted without a significant (if any) adverse effect on the latter program.

In light of these facts, the Company respectfully requests Staff's written approval to reallocate funds as described herein and as shown in Attachment A.

Respectfully,



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cc: All Parties of Record in Above Referenced Cases

Attachment A:

**Ohio Edison Proposed Budget Reallocation**

Mercantile Customer Class	As Approved in Filing, PUCO Table 5	Proposed	Impact
Interruptible Demand Reduction	\$9,342,723	\$4,706,723	(\$4,636,000)
Mercantile-Self Directed	\$1,065,000	\$1,065,000	\$0
C/I Audits & Equipment Program	\$187,170	\$187,170	\$0
C/I Equipment Program (Commercial Lighting)	\$7,627,444	\$12,263,444	\$4,636,000
C/I Equipment Program (Industrial Motors)	\$137,725	\$137,725	\$0

<b>EE Program and Demand Response Subtotal</b>	<b>\$18,360,061</b>	<b>\$18,360,061</b>	<b>(\$0)</b>
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Mercantile Class Common Costs	As Approved in Filing, PUCO Table 6B	Proposed	Impact
Mercantile-Self Directed	\$10,857	\$10,857	\$0
Mercantile-Utility (Large C&I)	\$176,313	\$176,313	\$0

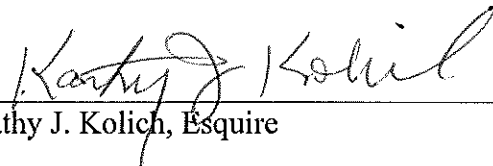
<b>Common Cost Subtotal</b>	<b>\$187,170</b>	<b>\$187,170</b>	<b>\$0</b>
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<b><i>Total Class Budget</i></b>	<b><i>\$18,547,231</i></b>	<b><i>\$18,547,231</i></b>	<b><i>(\$0)</i></b>
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<b><i>25% of Class Budget</i></b>	<b><i>\$4,636,808</i></b>		
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## CERTIFICATE OF SERVICE

I hereby certify that the foregoing Letter to Greg Scheck of the Commission Staff, requesting a shift of funds in the Ohio Edison Company budget for certain large commercial and industrial energy efficiency and peak demand reduction programs was filed electronically this 26<sup>th</sup> day of August, 2011, with the Public Utilities Commission of Ohio Docketing Information System. Notice of this filing will also be sent via e-mail to the parties set forth below that have designated an email address. All others will receive a courtesy copy of this filing via first class mail, postage prepaid.

  
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**Case No(s). 09-1943-EL-EEC, 09-1948-EL-POR, 09-0581-EL-EEC**

Summary: Request to Staff for approval to shift 25% of energy efficiency and peak demand reduction program budget between programs within the same class pursuant to OAC 4901:1-39-05(C)(2)(c) electronically filed by Ms. Kathy J Kolich on behalf of Ohio Edison Company