



Case No.: 13-0334-EL-EEC

Mercantile Customer: L'Oreal USA

Electric Utility: The Cleveland Electric Illuminating Company

Program Title or Description: Lighting Upgrades at Miller and Solon Facilities

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 in accordance with the Commission's pilot program established in Case No. [10-834-EL-POR](#)

Completed applications requesting the cash rebate reasonable arrangement option (Option 1) in lieu of an exemption from the electric utility's energy efficiency and demand reduction (EEDR) 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 EEDR rider (Option 2) will also qualify for the 60-day automatic approval so long as the exemption period does not exceed 24 months. Rider exemptions for periods of more than 24 months will be reviewed by the Commission Staff and are only approved up the issuance of a Commission order.

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.

Any confidential or trade secret information may be submitted to Staff on disc or via email at ee-pdr@puc.state.oh.us.

Section 1: Mercantile Customer Information

Name: L'Oreal USA

Principal address: 30701 Carter St., Solon OH 44139

Address of facility for which this energy efficiency program applies: 30701 Carter St and 6800 Arnold Miller Parkway, Solon, Ohio 44139

Name and telephone number for responses to questions: Sara Shepardson, (440) 542-4567

Electricity use by the customer (check the box(es) that apply):

- ☒ The customer uses more than seven hundred thousand kilowatt hours per year at the above facility. (Please attach documentation.)
- ☐ The customer is part of a national account involving multiple facilities in one or more states. (Please attach documentation.)

Section 2: Application Information

A) The customer is filing this application (choose which applies):

- ☐ Individually, without electric utility participation.
- ☒ Jointly with the electric utility.

B) The electric utility is: The Cleveland Electric Illuminating Company

C) The customer is offering to commit (check any that apply):

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

Section 3: Energy Efficiency Programs

A) The customer's energy efficiency program involves (check those that apply):

- ☒ Early replacement of fully functioning equipment with new equipment. (Provide the date on which the customer replaced fully functioning equipment, and the date on which the customer would have replaced such equipment if it had not been replaced early. Please include a brief explanation for how the customer determined this future replacement date (or, if not known, please explain why this is not known)). **If Checked, Please see Exhibit 1 and Exhibit 2**
- ☐ Installation of new equipment to replace equipment that needed to be replaced. The customer installed new equipment on the following date(s): ____.
- ☐ Installation of new equipment for new construction or facility expansion. The customer installed new equipment on the following date(s): ____.
- ☐ Behavioral or operational improvement.

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

- 1) If you checked the box indicating that the 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: 1,119,455 kWh

- 2) If you checked the box indicating that the customer 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 any less efficient new equipment that was rejected in favor of the more efficient new equipment. **Please see Exhibit 1 if applicable**

- 3) If you checked the box indicating that the 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 was rejected in favor of the more efficient new equipment. **Please see Exhibit 1 if applicable**

- 4) If you checked the box indicating that the project involves behavioral or operational improvements, provide a description of how the annual savings were determined.

Section 4: Demand Reduction/Demand Response Programs

A) The customer's program involves (check the one that applies):

- ☒ Coincident peak-demand savings from the customer's energy efficiency program.
- ☐ Actual peak-demand reduction. (Attach a description and documentation of the peak-demand reduction.)
- ☐ Potential peak-demand reduction (check the one that applies):
 - ☐ The customer's 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.
 - ☐ The customer's 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) On what date did the customer initiate its demand reduction program?

Please see Exhibit(s) 2

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

129 kW

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 60-day automatic approval. All applications, however, will be considered on a timely basis by the Commission.

A) The customer is applying for:

☒ Option 1: A cash rebate reasonable arrangement.

OR

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

OR

☐ Commitment payment

B) The value of the option that the customer is seeking is:

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

☒ A cash rebate of \$63,310. (Rebate shall not exceed 50% project cost. Attach documentation showing the methodology used to determine the cash rebate value 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). (Attach calculations showing how this time period was determined.)

OR

☐ A commitment payment valued at no more than \$_____. (Attach documentation and calculations showing how this payment amount 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 the customer's ongoing efficiency program. (Attach documentation that establishes the ongoing nature of the program.) In order to continue the exemption beyond the initial 24 month period, the customer 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: **See Exhibit 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 (generation capacity, energy, and any transmission or distribution) by the sum of our program overhead and installation costs and any incremental measure costs paid by either the customer or the electric utility.

The electric utility's avoided supply costs were _____.

Our program costs were _____.

The incremental measure costs were _____.

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 **See Exhibit 3**

The utility's program costs were **See Exhibit 3**

The utility's incentive costs/rebate costs were **See Exhibit 3**

Section 7: Additional Information

Please attach the following supporting documentation to this application:

- Narrative description of the 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 the program or measure 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 the customer and the electric utility with regard to peak demand reduction;
 - 4) permission by the customer 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 the customer 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.: 13-0334-EL-EEC

State of Ohio :

Sara Shepardson,, Affiant, being duly sworn according to law, deposes and says that:

1. I am the duly authorized representative of:

L'Oreal, USA

[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.

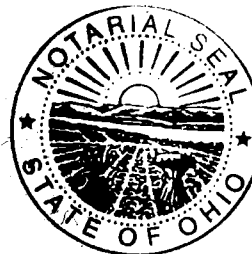
[Signature] FACILITY MANAGER
Signature of Affiant & Title

Sworn and subscribed before me this 6th day of February, 2013 Month/Year

[Signature]
Signature of official administering oath

Deborah K. Pollock
Print Name and Title

My commission expires on 10-27-2016



DEBORAH K. POLLOCK
Notary Public, State of Ohio
My Commission Expires
October 27, 2016

Project No.	Project Name	Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment:	Description of methodologies, protocols and practices used in measuring and verifying project results	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.	Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment.
1	Building 3 (Miller) Lighting Replacement	(400) T12 2-bulb fixtures were replaced with T8 2-bulb GE232Max-L/Ultra in 2010 in building 3.	The specifications from the lighting vendors were used to calculate the usage of the new fixtures and bulbs. The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specs and hours of operations. The Lighting Rebate Calculator was the basis for calculating the energy and demand savings.	The fixtures would have needed to be replaced in the next 2 years.	N/A

Docket No. 13-0334

Site: 6800 Arnold Miller Parkway

Exhibit 2

Customer Legal Entity Name: L'Oreal USA

Site Address: L'Oreal USA (Miller Building)

Principal Address: 6800 Arnold Miller Parkway

	Unadjusted Usage, kwh (A)	Weather Adjusted Usage, kwh (B)	Weather Adjusted Usage with Energy Efficiency Addbacks, kwh (C) <i>Note 1</i>
2010	861,900	861,900	947,629 7,281
Average	861,900	861,900	477,455

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)	Prescriptive Rebate Amount (G) \$	Eligible Rebate Amount (H) \$ <i>Note 2</i>
1	Building 3 (Miller) Lighting Replacement	12/01/2009	\$10,013	\$5,007	85,729	85,729	18	\$14,720	\$5,007
					-	-	-		
					-	-	-		
					-	-	-		
					-	-	-		
					-	-	-		
Total			\$10,013		85,729	85,729	18	\$14,720	\$5,007

Docket No. 13-0334

Site: 6800 Arnold Miller Parkway

Notes

(1) Customer's usage is adjusted to account for the effects of the energy efficiency programs included in this application. When applicable, such adjustments are prorated to the in-service date to account for partial year savings.

(2) The eligible rebate amount is based upon 75% of the rebates offered by the FirstEnergy Commercial and Industrial Energy Efficiency programs or 75% of \$0.08/kWh for custom programs for all energy savings eligible for a cash rebate as defined in the PUCO order in Case NO.10-834-EL-EEC dated 9/15/2010, not to exceed the lesser of 50% of the project cost or \$250,000 per project. The rebate also cannot exceed \$500,000 per customer per year, per utility service territory.

**Commitment
Payment
\$**

\$0

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	86	\$ 308	\$ 26,429	\$ 3,546	\$5,007	\$0	\$ 8,553	3.1
Total	86	\$ 308	26,429	3,546	\$5,007	\$0	8,553	3.1

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) =(C) / (G)

L'Oreal USA ~ L'Oreal USA (Miller Building)

Docket No. 13-0334

Site: 6800 Arnold Miller Parkway

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	85,729.28
Total Change in Connected Load	18.40

Annual Estimated Cost Savings	\$8,572.93
Annual Operating Hours	4,160

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$14,720.00
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$0.00

Total Calculated Incentive	\$14,720.00
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Total Fixture Quantity excluding CFLs and LED Exit Sign	400
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	0
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Customer Legal Entity Name: L'Oreal USA

Site Address: L'Oreal USA Solon Manufacturing

Principal Address: 30701 Carter St

Project No.	Project Name	Narrative description of your program including, but not limited to, make, model, and year of any installed and replaced equipment:	Description of methodologies, protocols and practices used in measuring and verifying project results	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.	Please describe the less efficient new equipment that you rejected in favor of the more efficient new equipment.
1	Lighting Retrofit Cell #2	(270) 400 watt metal halide fixtures were replaced with (270) 216 watt low profile fixtures with T5 bulbs in the production area.	The specifications from the lighting vendors were used to calculate the usage of the new fixtures and bulbs. The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specifications and hours of operations. Energy and Demand savings are based on Lighting Rebate Calculator.	Bulbs would have been replaced yearly, and the fixtures in 5 years.	N/A
2	Chemical Warehouse Lighting Upgrade	(91) 400W HID fixtures were replaced in the warehouse with (20) 2 lamp ballasts, (33) 4' 4 lamp T5HO high bays, (12) 4' 3 lamp T5HO, and (24) 2 lamp fixtures IP67 rating. Occupancy sensors were also installed which have reduced the on time by a minimum of 45%.	The specifications from the lighting vendors were used to calculate the usage of the new fixtures and bulbs. The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specifications and hours of operations. Energy and Demand savings are based on Lighting Rebate Calculator.	The lamps would have been replaced within a year and the fixtures within 2 years.	N/A
3	Lighting Upgrade Building 1 Warehouse	(54) 400w HIDs were replaced with (17) ECO series 2 lamp 4' T5 fixtures and (37) High bay 3 lamp 4' T5 fixtures. Motion sensors were installed that reduced the number of hours the lights are on from 24 to 8 per day.	The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specifications and the amount of time that the lighting is no longer on. Energy and Demand savings are based on Lighting Rebate Calculator.	The bulbs would have been replaced in a year and the fixtures in 5 years.	N/A
4	Processing Lighting Upgrade	(73) 250W HID fixtures were replaced T5 fixtures. New fixtures installed were: (17) High Bay 4' 4 lamp T5HO, (36) 15' 3 lamp T554, (20) 4' 3 lamp T5 enclosed & gasketed.	The specifications from the lighting vendors were used to calculate the usage of the new fixtures and bulbs. The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specifications and hours of operations. Energy and Demand savings are based on Lighting Rebate Calculator.	Bulbs would have been replaced yearly, and the fixtures in 2-5 years.	N/A
5	XP Room Lighting	(7) 250W HIDs were replaced with 3 lamp T5HO LDPI 380 XP fixtures.	The specifications from the lighting vendors were used to calculate the usage of the new fixtures and bulbs. The lighting programs are very small portion of the overall consumption at the facility. Usage reductions are based on the equipment specifications and hours of operations. Energy and Demand savings are based on Lighting Rebate Calculator.	Bulbs would have been replaced yearly, and the fixtures in 5 years.	N/A

Docket No. 13-0334

Site: 30701 Carter St

Exhibit 2

Customer Legal Entity Name: L'Oreal USA

Site Address: L'Oreal USA Solon Manufacturing

Principal Address: 30701 Carter St

	Unadjusted Usage, kwh (A)	Weather Adjusted Usage, kwh (B)	Weather Adjusted Usage with Energy Efficiency Addbacks, kwh (C) <i>Note 1</i>
2010	12,164,690	12,164,690	12,841,451 247,990
Average	12,164,690	12,164,690	6,544,720

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)	Prescriptive Rebate Amount (G) \$	Eligible Rebate Amount (H) \$ <i>Note 2</i>
1	Lighting Retrofit Cell #2	08/01/2009	\$69,230	\$34,615	585,253	585,253	60	\$48,384	\$34,615
2	Chemical Warehouse Lighting Upgrade	09/15/2011	\$15,752	\$7,876	265,009	265,009	27	\$21,847	\$7,876
3	Lighting Upgrade Building 1 Warehouse	12/01/2010	\$29,127	\$14,564	181,492	181,492	16	\$14,305	\$10,729
4	Processing Lighting Upgrade	01/30/2010	\$12,865	\$6,433	73,979	73,979	8	\$6,116	\$4,587
5	XP Room Lighting	09/01/2009	\$11,285	\$5,643	7,993	7,993	1	\$661	\$496
					-	-	-		
					-	-	-		
Total			\$138,259		1,113,726	1,113,726	111	\$91,313	\$58,303

Docket No. 13-0334

Site: 30701 Carter St

Notes

(1) Customer's usage is adjusted to account for the effects of the energy efficiency programs included in this application. When applicable, such adjustments are prorated to the in-service date to account for partial year savings.

(2) The eligible rebate amount is based upon 75% of the rebates offered by the FirstEnergy Commercial and Industrial Energy Efficiency programs or 75% of \$0.08/kWh for custom programs for all energy savings eligible for a cash rebate as defined in the PUCO order in Case NO.10-834-EL-EEC dated 9/15/2010, not to exceed the lesser of 50% of the project cost or \$250,000 per project. The rebate also cannot exceed \$500,000 per customer per year, per utility service territory.

**Commitment
Payment
\$**

\$0

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	585	\$ 308	\$ 180,422	\$ 709	\$34,615	\$0	\$ 35,324	5.1
2	265	\$ 308	\$ 81,697	\$ 709	\$7,876	\$0	\$ 8,585	9.52
3	181	\$ 308	\$ 55,950	\$ 709	\$10,729	\$0	\$ 11,438	4.89
4	74	\$ 308	\$ 22,806	\$ 709	\$4,587	\$0	\$ 5,296	4.31
5	8	\$ 308	\$ 2,464	\$ 709	\$496	\$0	\$ 1,205	2.05
Total	1,114	\$ 308	343,339	3,546	\$58,303	\$0	61,849	5.6

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) =(C) / (G)

L'Oreal USA ~ L'Oreal USA Solon Manufacturing
Docket No. 13-0334

Site: 30701 Carter St

Lighting Inventory Form

Applicant Name:	L'Oréal USA
Facility Name:	Solon Manufacturing
Date:	5/26/2011

Instructions: Please use one line for each fixture type in a room or area.

For existing or proposed control, choose OCC for Occupancy Sensor, DAYLTG for photosensor, or NONE for none. Controls must save energy to qualify.

The total of Column S, the quantities of CFLs and exit signs in Column M, and the quantities of sensors in Column R, will be used to calculate your incentive on the NonStandard Lighting form.

[illegible]

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	585,252.86
Total Change in Connected Load	60.48

Annual Estimated Cost Savings	\$58,525.29
Annual Operating Hours	8,640

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$48,384.00
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$0.00

Total Calculated Incentive	\$48,384.00
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Total Fixture Quantity excluding CFLs and LED Exit Sign	270
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	0
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Lighting Inventory Form

Applicant Name:	L'Oreal USA
Facility Name:	Solon Manufacturing
Date:	5/26/2011

Instructions: Please use one line for each fixture type in a room or area.

For existing or proposed control, choose OCC for Occupancy Sensor, DAYLGT for photosensor, or NONE for none. Controls must save energy to qualify.

The total of Column S, the quantities of CFLs and exit signs in Column M, and the quantities of sensors in Column R, will be used to calculate your incentive on the NonStandard Lighting form.

[illegible]

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	181,492.25
Total Change in Connected Load	16.19

Annual Estimated Cost Savings	\$18,149.23
Annual Operating Hours	8,640

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$12,955.20
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$1,350.00

Total Calculated Incentive	\$14,305.20
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Total Fixture Quantity excluding CFLs and LED Exit Sign	54
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	54
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	7,993.04
Total Change in Connected Load	0.83

Annual Estimated Cost Savings	\$799.30
Annual Operating Hours	8,640

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$660.80
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$0.00

Total Calculated Incentive	\$660.80
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Total Fixture Quantity excluding CFLs and LED Exit Sign	7
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	0
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	265,008.84
Total Change in Connected Load	26.68

Annual Estimated Cost Savings	\$26,500.88
Annual Operating Hours	8,640

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$21,347.20
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$500.00

Total Calculated Incentive	\$21,847.20
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Total Fixture Quantity excluding CFLs and LED Exit Sign	89
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	20
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Lighting Inventory Form

Applicant Name:	L'Oreal USA
Facility Name:	Solon Manufacturing
Date:	5/26/2011

Instructions: Please use one line for each fixture type in a room or area.

For existing or proposed control, choose OCC for Occupancy Sensor, DAYLGT for photosensor, or NONE for none. Controls must save energy to qualify.

The total of Column S, the quantities of CFLs and exit signs in Column M, and the quantities of sensors in Column R, will be used to calculate your incentive on the NonStandard Lighting form.

PROJECT BASE INFORMATION							PRE-INSTALLATION					POST-INSTALLATION					Energy Calculations																					
Line Item	Building Address	Floor	Area Description	Interior or Exterior	Pertains	Predominant Space Type	Area Coating	Pre Fixture Qty	Pre Fixture Code	Pre Watts (W)	Pre kW (kW)	Existing Sensor Qty and Location	Existing Sensor Quantity	Post Fixture Qty	Post Fixture Code	Post Watts (W)	Post kW (kW)	Proposed Sensor Qty and Location	Proposed Sensor Quantity	Interior Change in Connected Load (kW) including CFLs or LED Signs	Exterior Change in Connected Load (kW) including CFLs or LED Signs	Change in Connected Load (kW) for LED and Signs	Appl. Coefficient Factor (CF) Estimate	Collection Factor	Interruption Factor (demand)	Reactive Factor (energy)	Phy. Diversity Factor	Post Controls Factor	Demand Savings (kW)	Appl. Coefficient Full Load Hours (EPLH) Estimate	Prescribed Savings Full Load Hours	Annual Interior Power kWh Saved (including CFLs or LED Signs)	Annual Exterior Power kWh Saved (including CFLs or LED Signs)	Annual kWh Saved (CFLs or LED not signs only)	Annual kWh Saved (Sensors only)	Post Fixture Qty (Shed. Number)		
6-8	400 North Street Extension	2	Office Reception	Interior		Office - Small Reception / Full Foot	Coaster Space	3	F4X4L	132	0.34	NONE		3	CF1501-BX	38	0.17	DCV	3				44%	44%	34%	12%		35%	30%	0.13	2,300	3,435			444	194	7	
9		1						3	Excuse our mess!	50	0.05			3	Excuse our mess! 2	25	0.11	NONE	3		0.13			44%	44%	34%	12%		35%	30%	0.05	9,700	4,125			384	124	14
1	30701 Center St	1	Processing	Interior		Other - Please estimate CF and EPLH	Coaster Space	17	FD4X4L	255	5.52	NONE		17	FD4X4L	254	5.58	NONE		1.94			50%	50%	34%	12%			1.11	8,540	9,545	10,000					48	
2	30701 Center St	1	Processing	Interior		Other - Please estimate CF and EPLH	Coaster Space	36	FD4X4L	355	10.88	NONE		36	FD4X4L	357	6.37	NONE		4.35			50%	50%	34%	12%			4.05	8,540	9,545	41,107					48	
3	30701 Center St	1	Processing	Interior		Other - Please estimate CF and EPLH	Coaster Space	30	FD4X4L	355	5.50	NONE		30	FD4X4L	357	5.54	NONE		2.35			50%	50%	34%	12%			3.30	8,540	9,545	32,037					44	
4												NONE						NONE																				
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Totals								75			21.94			75		15.89				7.45	7.45						6.26					75,076		75,076				

Project Estimated Annual Savings Summary

Estimated Annual kWh Savings	73,979.14
Total Change in Connected Load	7.65

Annual Estimated Cost Savings	\$7,397.91
Annual Operating Hours	8,640

Interior Lighting Incentive @ \$0.80/W (excluding CFLs, sensors, or LED exit signs)	\$6,116.00
Exterior Lighting Incentive @ \$0.50/W (excluding CFLs, sensors, or LED exit signs)	\$0.00
Total CFL Incentive @ \$1/screw-in CFL lamp; \$15/hard-wired CFL lamp (includes all CFLs, both interior and exterior)	\$0.00
Total LED Exit Incentive @ \$10/exit sign	\$0.00
Total Lighting Controls Incentive @ \$25/sensor (includes all Lighting Controls, both interior and exterior)	\$0.00

Total Calculated Incentive	\$6,116.00
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Total Fixture Quantity excluding CFLs and LED Exit Sign	73
Total Lamp Quantity for Screw-In CFLs	0
Total Lamp Quantity for Hard-Wired CFLs	0
Total Fixture Quantity for LED Exit Signs	0
Total Quantity for Occupancy Sensors	0
Total Quantity for Daylight Sensors	0

Please briefly describe how you estimated your coincidence factor (CF) for facility type "Other" indicated on the Lighting Form tab

Mercantile Customer Project Commitment Agreement
Cash Rebate Option

THIS MERCANTILE CUSTOMER PROJECT COMMITMENT AGREEMENT ("Agreement") is made and entered into by and between First Energy Corporation, its successors and assigns (hereinafter called the "Company") and L'Oreal USA, Taxpayer ID No.22-3612834its 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:

L'Oreal USA_
 30701 Carter St_
 Solon, Ohio 44139
 Attn: Sara Shepardson
 Telephone: 440-542-4567
 Fax: 440-542-4868
 E-mail: sshepardson@us.loreal.com

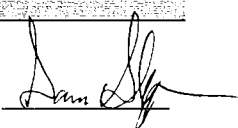
or to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the business day will be deemed received on the next business day; provided that notice by facsimile transmission will be deemed to have been received by the recipient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

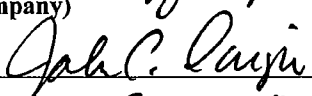
8. **Authority to Act.** The Parties represent and warrant that they are represented by counsel in connection with this Agreement, have been fully advised in connection with the execution thereof, have taken all legal and corporate steps necessary to enter into this Agreement, and that the undersigned 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.

L'Oreal USA
(Customer)
By: Sara Shepardson 
Title: Project Engineer
Date: 6-1-2011

First Energy Corp.
(Company)
By: John C. Davis 
Title: V.P. Energy Efficiency
Date: 9-27-11

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

2/14/2013 5:20:47 PM

in

Case No(s). 13-0334-EL-EEC

Summary: Application electronically filed by Ms. Lindsey E Sacher on behalf of The Cleveland Electric Illuminating Company and L'Oreal USA