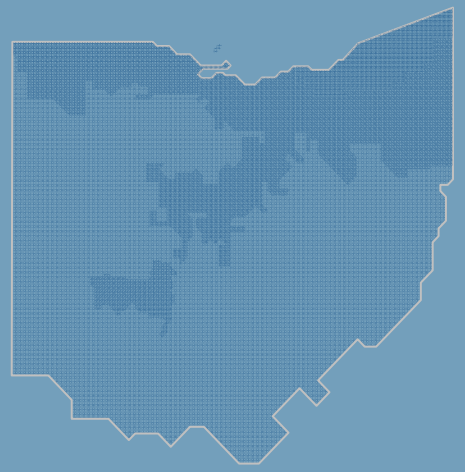
S.B. 221 and FirstEnergy's Energy Efficiency Programs – Proposed 2010

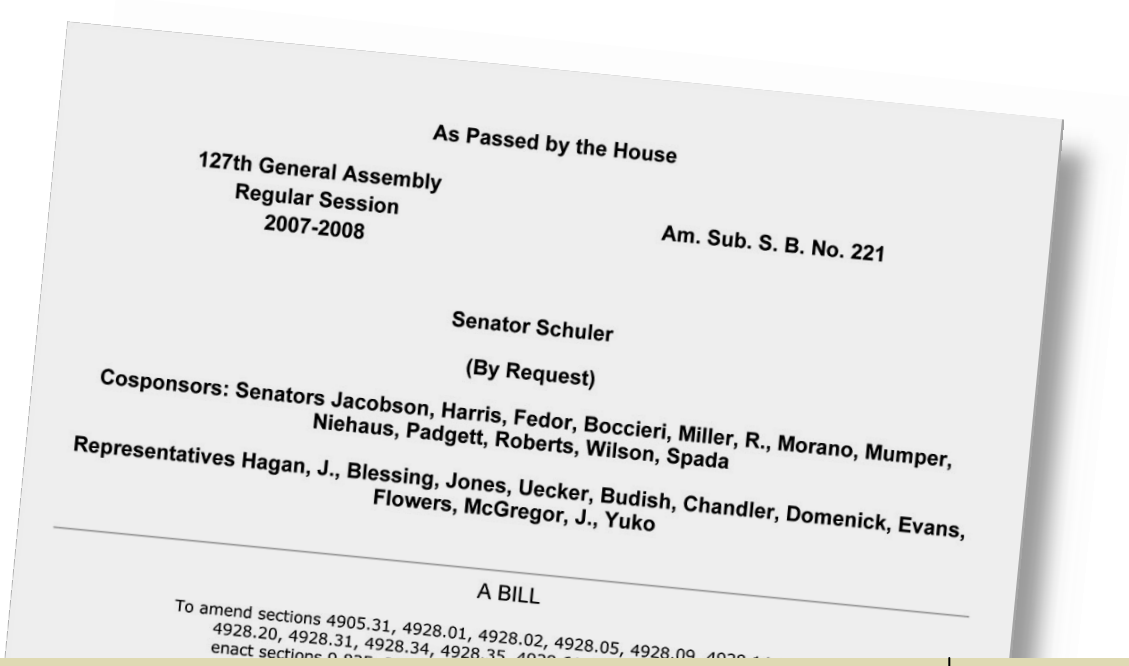


Disclaimer

The information contained in this presentation material is intended to provide generally descriptive and summary information. Any conflict between the information contained in this material, or conveyed orally during the presentation, and the information provided as part of the Commission's Order in relevant cases and the Companies' tariffs is unintentional and the docketed material controls.

Ohio Legislation and Regulatory Background

- **S.B. 221 responds to concerns about rising electricity prices seen in states with expiring price caps**
- **S.B. 221 became effective in 2008 and includes framework for Energy Efficiency and Peak Demand Management, and Alternative Energy Resource Requirements**



As Passed by the House

127th General Assembly
Regular Session
2007-2008

Am. Sub. S. B. No. 221

Senator Schuler

(By Request)

Cosponsors: Senators Jacobson, Harris, Fedor, Boccieri, Miller, R., Morano, Mumper, Niehaus, Padgett, Roberts, Wilson, Spada

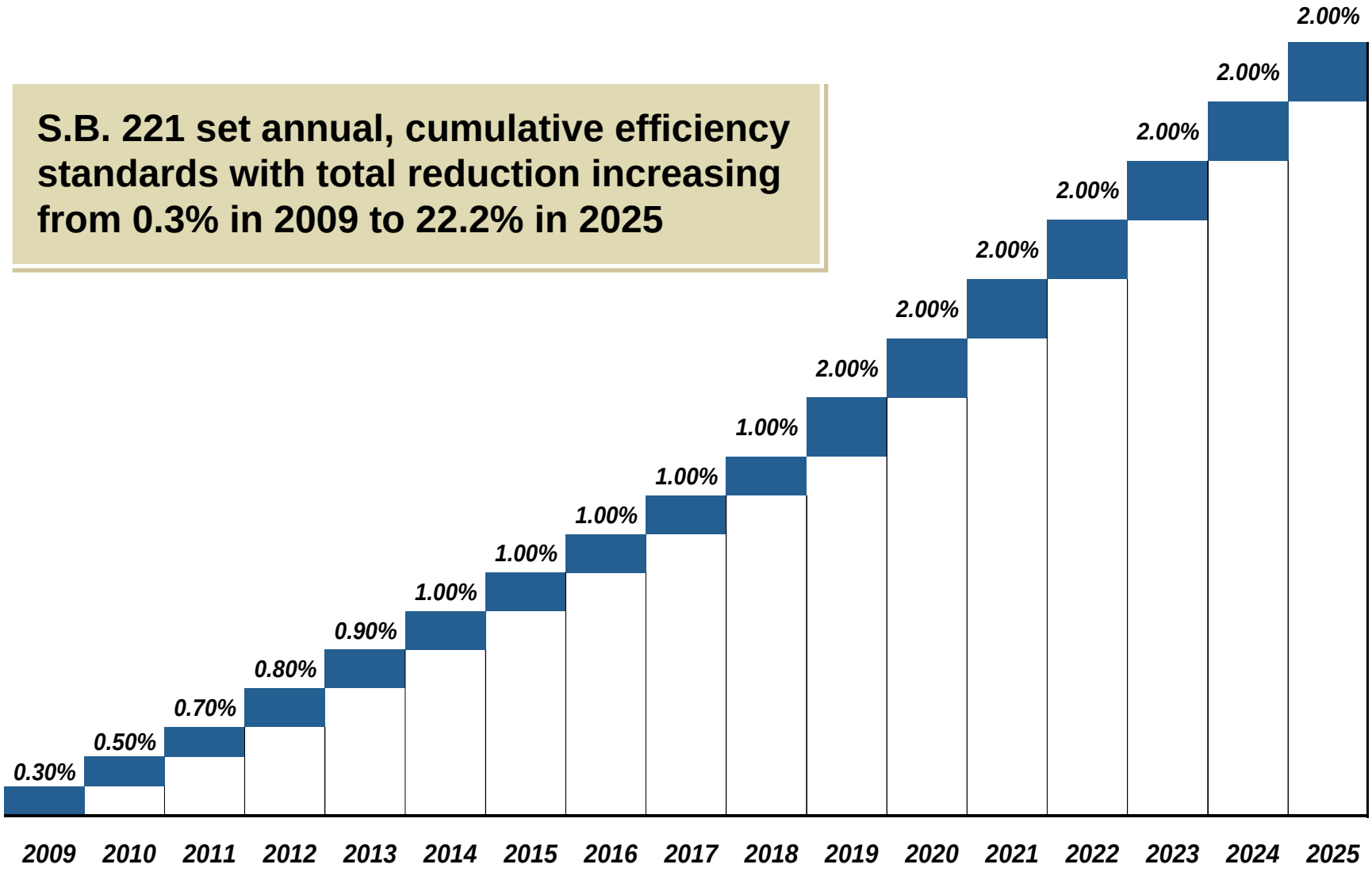
Representatives Hagan, J., Blessing, Jones, Uecker, Budish, Chandler, Domenick, Evans, Flowers, McGregor, J., Yuko

A BILL

To amend sections 4905.31, 4928.01, 4928.02, 4928.05, 4928.09, 4928.20, 4928.31, 4928.34, 4928.35,

S.B. 221 – Energy Efficiency Standards

S.B. 221 set annual, cumulative efficiency standards with total reduction increasing from 0.3% in 2009 to 22.2% in 2025



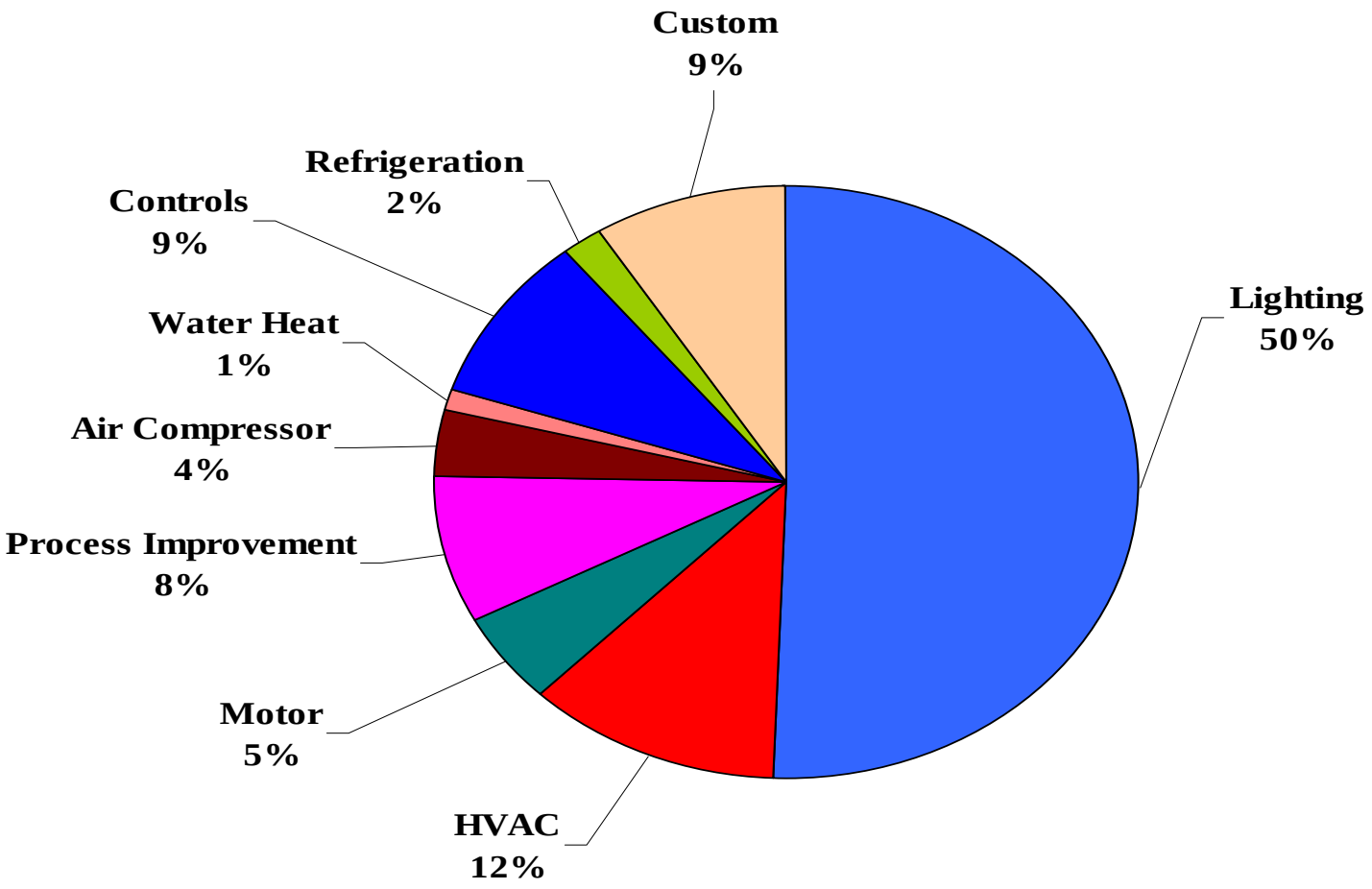
Mercantile Self-Directed Program –

- **A mercantile customer is a commercial or industrial customer:**
  - consuming more than 700,000 kWh per year, or
  - is part of a national account involving multiple facilities
- **Incentive Opportunities**
  - Exemption from the DSE2 Rider, or
  - Cash Rebate @ 75%
- **Customer commits either existing or new energy savings to the Utility's compliance requirements through PUCO filing**

Mercantile Self-Directed Program – Cash Rebate option

- **A choice between DSE 2 Rider exemption or Cash Rebate:**
- **75% of Rebate totals for new Utility Programs**
- **Project Cap Levels (smaller of):**
  - 50% of Project Cost
  - $250,000 per Project
  - $500,000 per customer

Mercantile Self-Direct Project Breakdown



Non-Residential Program Highlights

- **Small Enterprise Audits and Equipment Program**
  - Subsidized audits identifying efficiency opportunities
- **C/I Equipment Program (Lighting)**
  - Rebates for high-efficiency commercial lighting
- **C/I Equipment (Industrial Motors)**
  - Incentives for upgrading to NEMA Premium® motors
- **C/I New Construction Program**
  - Incentives for efficient building shells and equipment
- **C/I Technical Assessment Umbrella Program**
  - Assists customers with complex opportunities, custom measures and multi-year projects. Incentives are on a case by case basis.
- **Government Lighting Program**
  - Rebates for replacing traffic signals and pedestrian light signals with high-efficiency LED equipment

Residential Program Highlights

- **Direct Load Control Program**
  - Provides an advanced programmable thermostat with two-way communication capabilities for load reduction on peak days
- **Appliance Turn-In Program**
  - Incentives to customers for removing older inefficient appliances
- **Energy Efficient Products Program**
  - Rebates for consumers and support for retailers selling high efficiency appliances, lighting, and other conservation products
- **Efficient New Homes Program**
  - Rebates to builders using high efficiency building shell and appliance upgrades
- **Comprehensive Retrofit Program**
  - Provides consumers low-cost, company-subsidized whole house energy audits
- **Online Audit Program**
  - Web-based tool for home energy analysis and education
- **Online Efficient Products Program**
  - Provides a quick and direct link to the Energy Federation Institute on-line catalog of efficient products
- **CFL Program**
  - Provides customers the opportunity to choose to receive high efficiency Compact Fluorescent Lights

Energy Efficiency Program Administration

- **The Mercantile Self-Direct Program is administered through FirstEnergy directly.**

- **FirstEnergy has chosen to partner with R. W. Beck for the administration of the Utility Commercial & Industrial Energy Efficiency Rebate Programs.**

- **Various contractors have been employed to administer the Residential Programs.**

Thank You

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