



FirstEnergy Energy Efficiency Surcharge

In 2008, Senate Bill 221 was passed into law setting strong new standards for energy efficiency and calling for a 22% reduction in energy usage in the FirstEnergy service territory by 2025. As a result, FirstEnergy initiated an Energy Efficiency surcharge called the Demand Side Management and Energy Efficiency Rider (DSE2) on every customer's bill that became effective May 2011.

For large electric users, these additional charges could prove significant. Businesses that have made energy efficiency upgrades to their facilities since 2013 may be able to avoid this surcharge.

ELIGIBILITY

- Must be a "mercantile customer" who is a commercial or industrial customer who uses more than 700,000 kilowatt hours (kWh) per year for non-residential purposes, or who is part of a national account that includes multiple facilities in one or more states. (O.R.C. Sec 4928.01).
- Completion of energy efficiency projects within the last 3 years. These projects must be fully implemented and functioning at the time of reporting.

WHAT ARE YOUR OPTIONS?

- If you can demonstrate energy savings through your upgrades, you may qualify to bypass rider charges on all of your electric usage.
- This period is determined by the percent reduction you have achieved off of your average kWh usage in the last 3 years.
- Exemptions lasting longer than 24 months will be reassessed at that point to determine if they will continue.

Project examples include (*not limited to*):

- Lighting retrofits
- High efficiency HVAC
- Occupancy sensors
- Energy efficient motors
- Heat recovery from refrigeration systems

Under this program, customers have the option of committing their energy efficiency savings to the FirstEnergy utilities in exchange for an exemption from the DSE2 rider. All projects are subject to measurement and verification by the FirstEnergy utilities' evaluator.

COSE AND THE GCP CAN HELP

COSE was named an administrator for FirstEnergy in 2009. This designation has allowed us to develop the COSE Energy Efficiency Program and to work closely with FirstEnergy and the Public Utilities Commission of Ohio to represent the interests of business in Northeast Ohio.

The COSE program has been designed to encourage the smart use of electricity, work with customers to reduce demand, save energy dollars and meet the energy efficiency standards set by SB221. The Greater Cleveland Partnership and COSE are committed to helping businesses avoid potential surcharges and experience the many benefits of energy efficiency.



If you think your organization may be eligible to participate, contact the COSE/GCP Energy Team at energy@cose.org or (216) 592-2338 for more information and next steps.