

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM S-8

**REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933**

Orion Energy Systems, Inc.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation or organization)

39-1847269
(I.R.S. Employer
Identification No.)

2210 Woodland Drive
Manitowoc, Wisconsin
(Address of principal executive offices)

54220
(Zip Code)

Orion Energy Systems, Inc. Employee Stock Purchase Plan
(Full title of the plan)

Neal R. Verfuerrth
Chief Executive Officer
Orion Energy Systems, Inc.
2210 Woodland Drive
Manitowoc, Wisconsin
(920) 892-9340
(Name, address and telephone number, including
area code, of agent for service)

Copy to:

Steven R. Barth, Esq.
Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Share ⁽²⁾	Proposed Maximum Aggregate Offering Price ⁽²⁾	Amount of Registration Fee
Common Stock, no par value	2,500,000 shares	\$3.03	\$7,562,500	\$540
Common Share Purchase Rights	2,500,000 rights	(3)	(3)	(3)

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended, this Registration Statement covers, in addition to the number of shares stated above, an indeterminate number of shares of common stock, no par value ("Common Stock"), that may become issuable under the Orion Energy Systems, Inc. Employee Stock Purchase Plan by reason of stock splits, stock dividends or similar transactions.
- (2) Estimated pursuant to Rule 457(c) and (h) under the Securities Act of 1933, as amended, solely for the purpose of calculating the registration fee on the basis of the average of the high and low prices of the Common Stock as reported on the NYSE Amex LLC on September 21, 2010.
- (3) The value attributable to the Common Share Purchase Rights is reflected in the market price of the Common Stock to which the Rights are attached.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The document or documents containing the information specified in Part I are not required to be filed with the Securities and Exchange Commission (the "Commission") as part of this Form S-8 Registration Statement.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference

The following documents previously filed with the Commission by Orion Energy Systems, Inc. (hereinafter referred to as the "Company" or the "Registrant") are hereby incorporated herein by reference:

- (a) The Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2010;
- (b) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010;
- (c) The Company's Current Reports on Form 8-K filed April 2, May 4, May 14, June 25, July 2, July 23 and August 30, 2010; and
- (d) The description of the Common Stock and the Common Share Purchase Rights contained in the Company's Registration Statement on Form 8-A (File No. 001-33887) filed with the Commission on March 31, 2010 pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including any amendment or report filed for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act after the date of filing of this Registration Statement and prior to such time as the Company files a post-effective amendment to this Registration Statement that indicates that all securities offered hereby have been sold or that deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Article IX of the Company's Amended and Restated Bylaws (the "Bylaws") provides that, to the fullest extent permitted or required by Wisconsin law, the Company will indemnify all of its directors and officers, any trustee of any of the Company's employee benefit plans and any person who is serving at the Company's request as a director, officer, employee or agent of another entity, against

certain liabilities and losses incurred in connection with these positions or services. The Company will indemnify these parties to the extent the parties are successful in the defense of a proceeding and in proceedings in which the party is not successful in the defense of the proceeding unless, in the latter case only, it is determined that the party breached or failed to perform his or her duties to the Company and this breach or failure constituted:

- a willful failure to deal fairly with the Company or the shareholders of the Company in connection with a matter in which the director or officer has a material conflict of interest;
- a violation of criminal law, unless the director or officer had reasonable cause to believe his or her conduct was unlawful;
- a transaction from which the director or officer derived an improper personal profit; or
- willful misconduct.

The Bylaws provide that the Company is required to indemnify its directors and executive officers and may indemnify its employees and other agents to the fullest extent required or permitted by Wisconsin law. Additionally, the Bylaws require the Company under certain circumstances to advance reasonable expenses incurred by a director or officer who is a party to a proceeding for which indemnification may be available.

Wisconsin law further provides that it is the public policy of the State of Wisconsin to require or permit indemnification, allowance of expenses and insurance to the extent required or permitted under Wisconsin law for any liability incurred in connection with a proceeding involving a federal or state statute, rule or regulation regulating the offer, sale or purchase of securities.

Under Wisconsin law, a director is not personally liable for breach of any duty resulting solely from his or her status as a director, unless it is proved that the director's conduct constituted conduct described in the bullet points above. In addition, the Company intends to obtain directors' and officers' liability insurance that will insure against certain liabilities, including liabilities under the Securities Act of 1933, as amended, subject to applicable restrictions.

Item 7. Exemption from Registration Claimed.

Not Applicable.

Item 8. Exhibits.

The following exhibits have been filed (except where otherwise indicated) as part of this Registration Statement:

Exhibit No.	Exhibit
(4.1)	Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.3 to the Company's Registration Statement on Form S-1 (Reg. No. 333-145569)).
(4.2)	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.5 to the Company's Registration Statement on Form S-1 (Reg. No. 333-145569)).
(4.3)	Rights Agreement, dated as of January 7, 2009, between Orion Energy Systems, Inc. and Wells Fargo Bank, N.A., which includes as Exhibit A thereto the Form of Right Certificate and as Exhibit B thereto the Summary of Common Share Purchase Rights (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form 8-A filed January 8, 2009 (File No. 001-33887)).
(5)	Opinion of Foley & Lardner LLP.
(23.1)	Consent of Grant Thornton LLP.
(23.2)	Consent of Foley & Lardner LLP (contained in Exhibit 5 hereto).
(24)	Power of Attorney (included on the signature page to this Registration Statement).
(99.1)	Orion Energy Systems, Inc. Employee Stock Purchase Plan.
(99.2)	Orion Energy Systems, Inc. Employee Stock Purchase Plan Summary of Terms.

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of

appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Manitowoc, State of Wisconsin, on September 28, 2010.

ORION ENERGY SYSTEMS, INC.

By: /s/ Neal R. Verfuerrth _____

Neal R. Verfuerrth
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities on September 28, 2010. Each person whose signature appears below constitutes and appoints Neal R. Verfuerrth and Scott R. Jensen, and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Signature	Title
<u>/s/ Neal R. Verfuerrth</u> Neal R. Verfuerrth	Chief Executive Officer and Director (Principal Executive Officer)
<u>/s/ Scott R. Jensen</u> Scott R. Jensen	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
<u>/s/ James R. Kackley</u> James R. Kackley	Chairman of the Board
<u>/s/ Michael W. Altschaeffl</u> Michael W. Altschaeffl	Director
<u>/s/ Michael J. Potts</u> Michael J. Potts	Director
<u>/s/ Thomas A. Quadracci</u> Thomas A. Quadracci	Director
<u>/s/ Elizabeth Gamsky Rich</u> Elizabeth Gamsky Rich	Director
<u>/s/ Thomas N. Schueller</u> Thomas N. Schueller	Director
<u>/s/ Mark C. Williamson</u> Mark C. Williamson	Director

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 www.foley.com
 CLIENT/MATTER NUMBER
 042365-0242

September 28, 2010

Orion Energy Systems, Inc.
 2210 Woodland Drive
 Manitowoc, Wisconsin 54220

Ladies and Gentlemen:

We have acted as counsel for Orion Energy Systems, Inc., a Wisconsin corporation (the "Company"), in conjunction with the preparation of a Registration Statement on Form S-8 (the "Registration Statement") to be filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), relating to 2,500,000 shares of the Company's Common Stock, no par value (the "Common Stock"), and the related Common Share Purchase Rights (the "Rights") which may be issued pursuant to the Orion Energy Systems, Inc. Employee Stock Purchase Plan (the "Plan"). The terms of the Rights are as set forth in that certain Rights Agreement, dated as of January 7, 2009, between the Company and Wells Fargo Bank, N.A. (the "Rights Agreement").

As such counsel, we have examined: (i) the Plan; (ii) the Registration Statement, including the exhibits (including those incorporated by reference) constituting a part of the Registration Statement; (iii) the Amended and Restated Articles of Incorporation of the Company, as amended to date; (iv) the Amended and Restated Bylaws of the Company, as amended to date; (v) resolutions of the Company's Board of Directors relating to the Plan and the issuance of securities thereunder; and (vi) such other documents and records and certificates of government officials as we have deemed necessary to enable us to render this opinion.

Based upon the foregoing, we are of the opinion that:

1. The shares of Common Stock, when issued by the Company pursuant to the terms and conditions of the Plan and as contemplated by the Registration Statement, will be validly issued, fully paid and nonassessable. With respect to the foregoing opinion, at one time Section 180.0622(2)(b) of the Wisconsin Business Corporation Law imposed personal liability upon shareholders for debts owing to employees of the Company for services performed, but not exceeding six months' service in any one case. This statutory provision was repealed by 2005 Wisconsin Act 474, which provided that the repeal applies to debts incurred on or after June 14, 2006.

2. The Rights, when issued pursuant to the terms of the Rights Agreement, will be validly issued.

We consent to the use of this opinion as an exhibit to the Registration Statement. In giving our consent, we do not admit that we are "experts" within the meaning of Section 11 of the Securities Act or within the category of persons whose consent is required by Section 7 of the Securities Act.

Very truly yours,

/s/ Foley & Lardner LLP

BOSTON
 BRUSSELS
 CHICAGO
 DETROIT
 JACKSONVILLE

LOS ANGELES
 MADISON
 MILWAUKEE
 NEW YORK
 ORLANDO

SACRAMENTO
 SAN DIEGO
 SAN DIEGO/DEL MAR
 SAN FRANCISCO
 SILICON VALLEY

TALLAHASSEE
 TAMPA
 TOKYO
 WASHINGTON, D.C.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated June 14, 2010, with respect to the consolidated financial statements, schedule and internal control over financial reporting included in the Annual Report on Form 10-K for the year ended March 31, 2010 of Orion Energy Systems, Inc., which are incorporated by reference in this Registration Statement. We consent to the incorporation by reference in the Registration Statement of the aforementioned reports.

/s/ Grant Thornton LLP

Milwaukee, Wisconsin

September 27, 2010

ORION ENERGY SYSTEMS, INC.
EMPLOYEE STOCK PURCHASE PLAN

Effective September 15, 2010

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1. PURPOSE OF THE PLAN

1.1. The purpose of the Plan is to allow eligible employees of Orion Energy Systems, Inc. and its subsidiaries to purchase shares of Orion Energy Systems, Inc. common stock on the terms permitted hereunder. The Plan is not intended to qualify as an “employee stock purchase plan” under Section 423 of the Code.

2. DEFINITIONS

2.1. For purposes of the Plan, the following terms when capitalized shall have the meanings given below, unless another definition is clearly indicated by a particular usage and context.

(a) “Administrator” means the Senior Vice President — Human Resources of the Company or such other individual(s) specified by the Committee.

(b) “Annual Compensation” means, effective with respect to a calendar year, (i) the gross wages paid by the Employer (prior to reductions under Code Section 125, 132(f)(4) or 402(g) or elective deferrals under any nonqualified deferred compensation plan) to such Eligible Employee in the prior calendar year; or (ii) with respect to an Eligible Employee who was not employed by the Employer for the entirety of the prior calendar year, the Eligible Employee’s annual rate of base compensation from the Employer as in effect on January 1 of such calendar year or the date of such individual’s employment with the Employer, as applicable.

(c) “Board” means the Company’s Board of Directors.

(d) “Code” means the Internal Revenue Code of 1986, as amended.

(e) “Committee” means the Compensation Committee of the Board.

(f) “Company” means Orion Energy Systems, Inc. or any successor thereto.

(g) “Eligible Employee” means an individual who is employed in the United States, is reported on the Employer’s payroll as a common-law employee, and who has completed at least sixty (60) days of employment as a full-time employee of the Employer. For this purpose, a full-time employee is an employee whose customary employment is thirty-two (32) or more hours per week.

(h) “Employee Loan” means the loan or loans made by the Company to an Eligible Employee to be used by the Eligible Employee to purchase Shares under the Plan.

- (i) “Employer” means the Company and its Subsidiaries; provided that the Committee may, in its discretion, exclude any subsidiary from being considered an Employer hereunder.
- (j) “Enrollment Form” means the form prescribed by the Administrator on which an Eligible Employee elects to participate in the Plan.
- (k) “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- (l) “Fair Market Value” means, per Share on a particular date, the closing sale price on such date on the national securities exchange on which the Stock is then traded, as reported in *The Wall Street Journal*, or if no sales of Stock occur on the date in question, on the last preceding date on which there was a sale of Stock on such exchange.
- (m) “Offering Date” means the first day of an Offering Period, with the first Offering Date being September 15, 2010.
- (n) “Offering Period” means each calendar quarter, with the first Offering Period beginning on September 15, 2010 and ending September 30, 2010.
- (o) “Participant” means an Eligible Employee who elects to participate in this Plan.
- (p) “Plan” means this Orion Energy Systems, Inc. Employee Stock Purchase Plan, as it may be amended from time to time.
- (q) “Purchase Date” means the date coincident with or immediately preceding the last day of an Offering Period on which the national stock exchange on which the Shares are traded is open.
- (r) “Section 16 Person” means a person subject to Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company.
- (s) “Share” or “Stock” means one share of common stock of the Company, no par value (including the associated common stock purchase rights).
- (t) “Stock Sale Authorization Form and Transaction Request Instructions” means the form and instructions prescribed by the Administrator (and/or any agent or service provider) on which a Participant or former Participant elects to sell his or her Shares purchased under the Plan.
- (u) “Subsidiary” means any corporation or limited liability company in an unbroken chain of corporations or limited liability companies beginning with the Company if each of the corporations or limited liability companies (other than the last corporation or limited liability company) in the unbroken chain owns stock or equity interests possessing fifty percent (50%) or more of the total combined voting power of all classes of stock or equity interests in one of the other corporations or limited liability companies in such chain.

3. SHARES AVAILABLE FOR PURCHASE

3.1. Subject to Section 3.2, the maximum number of Shares that may be issued under the Plan shall be 2,500,000 Shares.

3.2. In the event that the Shares shall be split up, divided, combined or otherwise reclassified through recapitalization, merger, consolidation, stock dividend or split, combination or exchange of Shares or spin-off or otherwise, the Committee shall make such equitable adjustments in the Plan and the then outstanding offering as it deems necessary and appropriate including, but not limited to, changing the number of Shares reserved under the Plan. Notwithstanding the foregoing, if the Company shall subdivide the Shares or the Company shall declare a dividend payable in Shares, and if no action is taken by the Committee, then the adjustments contemplated by this Section 3.2 that are proportionate shall nevertheless automatically be made as of the date of such subdivision of the Shares or dividend in Shares.

4. ADMINISTRATION

4.1. In addition to the authority specifically granted to the Administrator in this Plan, the Administrator has full discretionary authority to administer this Plan, including but not limited to the authority to (a) interpret the provisions of this Plan, (b) prescribe, amend and rescind rules and regulations relating to this Plan, (c) correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any document authorized for use under this Plan, (d) engage one or more third parties to assist with the administration of the Plan and authorize the payment of fees thereto by the Company, and (e) make all other determinations necessary or advisable for the administration of this Plan. All Administrator determinations shall be made in the sole discretion of the Administrator and are final and binding on all interested parties.

4.2. The Company will indemnify and hold harmless each member of the Board and the Committee, the Administrator, and any third parties engaged to assist in the administration of the Plan, as to any acts or omissions, or determination made, with respect to this Plan to the maximum extent that the law and, if applicable, the Company's by-laws permit.

5. PARTICIPATION

5.1. Prior to an Offering Date, each Eligible Employee may elect to become a participant in the Plan by delivering to the Company an executed Enrollment Form, which shall include (a) the amount elected by the Participant to apply to the purchase of Shares for that Offering Period, and (b) the manner of payment of such amount, which may be made by one (and only one) of the following means: (i) after-tax payroll deductions; (ii) cash payment to the Company; or (iii) Employee Loan.

5.2. A Participant's election to participate in the Plan shall continue in effect for subsequent Offering Periods, unless and until the Participant withdraws from Plan participation as provided in Section 9 or submits a new or revised Enrollment Form with respect to a subsequent Offering Period.

5.3. The Administrator may specify such limitations and restrictions on a Participant's right to purchase Shares under the Plan as the Administrator shall determine, including, but not

limited to, restrictions on the amount or number of Shares that may be purchased by a Participant with respect to an Offering Period; *provided* that in no event may a Participant elect to purchase more than \$20,000 of Shares for any Offering Period.

5.4. An Enrollment Form or any change thereto shall be given effect only if properly and fully completed and executed by the Participant and submitted to the Company by the deadline established by the Administrator.

6. MANNER OF PAYMENT

6.1. Payroll Deductions. If a Participant elects to pay the purchase price of Shares for any Offering Period through payroll deductions, then beginning on the first payroll paid following the Offering Date and ending on the last payroll paid on or before the Purchase Date, the Company shall deduct, on an after-tax basis, the amount so elected by the Participant. Payroll deductions shall cease if (a) the Participant withdraws from Plan participation as set forth in Section 9; or (b) there is insufficient pay from which to take the deduction. During an Offering Period, a Participant may not elect to increase or decrease (other than by withdrawing from the Plan) the payroll deduction amount or rate, as applicable, elected by the Participant on his or her Enrollment Form. The Company will not credit interest or other earnings on accumulated payroll deductions.

6.2. Cash Payment. If a Participant elects to pay the purchase price of Shares for any Offering Period through a cash payment to the Company, then the Participant shall provide to the Company a check or money order made payable to the order of the Company in the amount specified on the Participant's Enrollment Form by the deadline established by the Administrator for the Offering Period. If a Participant fails to timely deliver the full cash payment for the Offering Period, the Participant shall be deemed to have withdrawn from Plan participation. During an Offering Period, a Participant may not change (other than by withdrawing from the Plan) the amount of cash payment elected by the Participant on his or her Enrollment Form. Accordingly, if a Participant submits a cash payment for more or less than the amount he or she indicated on his or her Enrollment Form, the Participant's payment will be returned and the Participant will be deemed to have withdrawn from the Plan. The Company will not credit interest or other earnings on cash payments it receives.

6.3. Employee Loan.

(a) A Participant who is a Section 16 Person on the Offering Date may not elect to pay the purchase price of Shares for such Offering Period with an Employee Loan. If a Participant who elects, with respect to an Offering Period, to pay the purchase price of Shares for any Offering Period with an Employee Loan becomes a Section 16 Person prior to the Purchase Date, then such Participant's then pending Employee Loan for such Offering Period will automatically be cancelled as of the date immediately prior to the date such individual becomes a Section 16 Person, and in such event, the Participant may elect to purchase Shares for such Offering Period with a cash payment (as described in Section 6.2) in an amount equal to or less than the previously designated Employee Loan amount. In addition, on the date immediately prior to the date a

Participant becomes a Section 16 Person, all prior outstanding Employee Loans must be repaid in full (including accrued interest thereon).

(b) If an eligible Participant elects to pay the purchase price of Shares for any Offering Period with an Employee Loan, then the Participant shall execute a promissory note for the amount elected by the Employee, a collateral pledge agreement pledging any and all Shares purchased under the Plan as collateral security for the Employee Loan, and any other documents required by the Administrator, in such forms as may be prescribed by the Administrator, and return such executed documents with the completed and executed Enrollment Form. Employee Loans shall be subject to the following terms and conditions:

- (i) The principal amount of all Employee Loans originated by a Participant in any calendar year shall not exceed twenty percent (20%) of such Participant's Annual Compensation.
- (ii) The principal amount of an Employee Loan originated by a Participant on an Offering Date may not exceed (A) \$250,000 (or such lesser amount as determined by the Administrator for any Offering Period) reduced by (B) the aggregate principal amounts of all outstanding Employee Loans in effect for such Participant on such Offering Date.
- (iii) No Employee Loan shall be made to a Section 16 Person.
- (iv) Each pending Employee Loan for any Offering Period will automatically become effective on the Purchase Date for such Offering Period unless (A) the Participant withdraws from Plan participation as set forth in Section 9; or (B) the Participant becomes a Section 16 Person as described in subsection (a).
- (v) During an Offering Period, a Participant may not elect to increase or decrease (other than by withdrawing from the Plan) the Employee Loan amount elected on the Enrollment Form for such Offering Period.
- (vi) Each Employee Loan will bear interest in an amount equal to the Applicable Federal Rate in effect for loans with a maturity date in excess of nine (9) years, as such rate is in effect on the date the Employee Loan becomes effective, subject to any default interest due upon default on the Employee Loan as specified therein.
- (vii) The interest due on each Employee Loan shall be payable by the Participant no later December 31 (or such earlier date as may be specified by the Administrator) of each year while the Employee Loan is outstanding. If a Participant has not submitted a cash payment (check or money order) or payroll deductions for the annual interest owed by the due date, the Employer shall have the

right to offset from any compensation otherwise payable to the Participant the amount of interest so due.

- (viii) An Employee Loan will be due and payable in full upon the earliest of (A) the date of settlement of the Participant's sale of any Shares purchased under the Plan; (B) the Participant's termination of employment from the Employer for any reason; (C) the date immediately prior to the date a Participant becomes a Section 16 Person; (D) the 10th anniversary of the effective date of such Employee Loan; or (E) the Participant becoming subject bankruptcy or insolvency proceedings.
- (ix) The Company may permit principal and/or interest payments under an Employee Loan to be made by payroll deduction.
- (x) An Employee Loan will be secured by a pledge of any and all Shares purchased by the Participant under the Plan, but will otherwise also be fully recourse against the Participant. If the Employee Loan is not paid in full when due under clause (viii) above, then, in addition to any other rights and remedies the Company may have, the Company shall have the right to (A) execute on the collateral; (B) offset from any compensation otherwise payable to the Participant by the Employer the unpaid amount; and/or (C) pursue collection on any other assets (including other Shares) of the Participant and/or pursue any other available legal or equitable remedies.
- (xi) An Employee Loan may be prepaid in whole or part at any time or from time to time without premium or penalty (but including all accrued interest thereon through the date of prepayment). Any prepayment shall first be applied against accrued interest and thereafter against outstanding principal on the Employee Loan.
- (xii) At any time, the Administrator may place a limit on the aggregate amount of Employee Loans made to all Participants.

7. STOCK PURCHASES

7.1. On each Purchase Date, each Participant will be deemed, without further action, to have elected to purchase directly from the Company the number of whole and fractional Shares that the Participant's payroll deductions, cash payment or Employee Loan amount for that Offering Period can purchase at the Fair Market Value on that Purchase Date.

7.2. As soon as practicable after each Purchase Date, the Company will arrange for the delivery of the Shares purchased directly from the Company by Participants on the Purchase Date, or will arrange to have such delivery of Shares made in book entry form. The Administrator may require that Shares purchased under the Plan be deposited directly with a provider designated by the Company. The Administrator may require that Shares be retained by

the designated provider for a specified period of time and may restrict dispositions during that period, or any other period, and the Administrator may establish other procedures to permit tracking of disposition of Shares or to restrict the sale or transfer of Shares.

7.3. The Administrator may require, as a condition of participation in the Plan, that each Participant who purchases Shares with an Employee Loan agree to notify the Company (or agree to authorize the designated provider to notify the Company) prior to the sale or disposition of any Shares under the Plan and agree to irrevocably authorize the designated provider to remit any proceeds from the sale or disposition of such Shares to the Company to help ensure the Participant's payment of the outstanding Employee Loan balance (including all accrued interest thereon).

7.4. A Participant shall have no ownership interest in, or voting rights with respect to, a Share unless and until such Share has been issued in the Participant's name upon full payment therefor.

7.5. Only a Participant, in his or her sole name, may purchase Shares under the Plan. In no event shall Shares be purchased under the Plan by or on behalf of the Participant's estate, family members, trust, individual retirement account, or 401(k) plan account, whether singly or jointly.

8. STOCK SALES

8.1. A Participant may sell his or her Shares acquired under the Plan at any time by delivering to the Company, or to a provider designated by the Company, as determined by the Administrator, a Stock Sale Authorization Form and Transaction Request Instructions, which shall identify the number of Shares to be sold. Sales of such Shares shall be effected in the market for the Shares by the provider designated by the Company on a "best efforts" basis as soon as possible at then prevailing market prices after receipt by the provider of a properly completed Stock Sale Authorization Form and Transaction Request Instructions. If such Shares are sold through a designated provider, the sale proceeds may be reduced by sales commissions and/or fees charged by the provider.

8.2. If a Participant elected to pay for any of his or her Shares acquired under the Plan with an Employee Loan, and desires to sell any Shares under the Plan, then the Company shall be notified, and the proceeds of such sale, after deduction of any sales commissions and/or fees charged by the provider, shall be remitted to the Company to help ensure the Participant's repayment of the Employee Loan. Any repayment of an Employee Loan shall be first applied against any accrued interest due on the Employee Loan, and thereafter against outstanding principal thereon.

8.3. A Participant who is a Section 16 Person may sell his or her shares acquired under the Plan only (a) pursuant to an effective registration statement under the Securities Act of 1933; (b) in a transaction that is exempt from registration under the Securities Act of 1933, such as a sale that fully complies with the Rule 144 under the Securities Act of 1933; and (c) subject to any other policies or restrictions imposed by the Company.

9. WITHDRAWAL FROM PARTICIPATION

9.1. A Participant may withdraw from participation in the Plan at any time before a Purchase Date by notifying the Company of the Participant's election to withdraw, pursuant to such rules as are prescribed by the Administrator, including rules requiring that the Participant's withdrawal election be made by a certain time in order to be given effect.

9.2. A Participant shall be automatically withdrawn from participation in the Plan (including for any then pending Offering Period) upon the Participant's termination of employment from the Employer for any reason. The Administrator may establish rules regarding when leaves of absence will be considered a termination of employment.

9.3. A Participant who has elected to pay the purchase price for Share in cash shall be automatically withdrawn from participation in the Plan if the Participant fails to timely submit the correct amount of the Participant's elected cash payment to the Company.

9.4. If a Participant withdraws from the Plan (either pursuant to his or her election or automatically as set forth in Section 9.2 or 9.3), then

(a) any portion of the Purchase Price paid by the Participant (whether through payroll deductions or cash payment) for that Offering Period will be returned to the Participant (without interest or earnings thereon) or any pending Employee Loan documentation for that Offering Period executed by the Participant shall be voided, as applicable;

(b) no purchases of Stock will be made on the Participant's behalf for the Offering Period in which such withdrawal occurs; and

(c) the Participant may participate in a future Offering Period, if eligible, only if he or she timely completes a new Enrollment Form for such Offering Period.

10. RIGHTS NOT TRANSFERABLE

10.1. No right granted to an Eligible Employee to purchase Shares pursuant to the Plan may be sold, pledged, assigned or transferred in any manner.

11. EXPENSES

11.1. The Company shall pay the service charges, brokerage commissions and/or fees, costs of mailing and other charges and fees incurred in connection with the maintenance of the Plan and the purchase of Shares under the Plan. Each Participant shall pay the applicable brokerage costs and/or other sales commissions and/or fees in connection with the sale of his or her Shares purchased under the Plan. Additional fees or costs may be incurred by the Participant under any Employee Loan, as may be specified therein.

12. COMPLIANCE WITH LAW

12.1. The Plan, the grant and exercise of purchase rights under the Plan, and the Company's obligation to sell and deliver Shares under the exercise of such purchase rights will be subject to all applicable federal, state and foreign laws, rules and regulations, and to such approvals by any regulatory or government agency as may, in the opinion of counsel for the Company, be required or desirable.

13. EFFECTIVENESS, AMENDMENT, SUSPENSION AND TERMINATION OF THE PLAN

13.1. The Plan may be amended by the Committee at any time and in any respect.

13.2. The Plan will terminate on the earlier of (a) any date as determined by the Board or Committee in its discretion, or (b) on the Purchase Date on which all Shares reserved for issuance under the Plan have been purchased. If the termination is pursuant to subsection (a), effective on the date of termination of the Plan, all Participants will be considered to have withdrawn from participation and the provisions of Section 9 shall apply. If the termination is pursuant to subsection (b) and the Participants have subscribed for more Shares than are available for purchase, the reserved Shares remaining as of the Plan's termination date will be made available for purchase pro-rata by Participants based on the purchase amount elected by the Participant, and any funds received by the Company from Participants that are not used to purchase Shares shall be promptly returned to the Participants.

14. GOVERNING LAW AND RULES OF INTERPRETATION

14.1. Words used in the masculine gender shall be construed to include the feminine gender, where appropriate, and words used in the singular or plural shall be construed as being in the plural or singular, where appropriate.

14.2. The headings and subheadings in the Plan are inserted for convenience of reference only and are not be considered in the interpretation of any provision of the Plan.

14.3. If any provision of the Plan shall be held to be illegal or invalid for any reason, that provision shall be deemed null and void, but the invalidation shall not otherwise impair or affect the Plan.

14.4. The Plan will be governed by the laws of the State of Wisconsin, without regard to that State's choice of law rules.

ORION ENERGY SYSTEMS, INC.

EMPLOYEE STOCK PURCHASE PLAN
SUMMARY OF TERMS
SEPTEMBER 15, 2010

- ESPP Summary:** Orion “eligible participants” will be granted a “purchase right” each calendar quarter to purchase directly from Orion up to \$20,000 of Orion Common Stock at a purchase price equal to 100% of the closing sale price of Orion’s Common Stock on NYSE-Amex effective on the last trading day of each calendar quarter. The first offering period will begin on September 15, 2010, with purchases made on September 30, 2010.
- Eligible Participants:** All full-time employees of Orion or any subsidiary (32 or more hours per week), including Section 16 officers, who have been employed full time by Orion for at least 60 days. Participants may only purchase shares for their individual account in their own name (i.e., no 401(k) plan, IRAs, trusts, family members, etc.)
- Payment for Shares:** Eligible participants may pay for their shares in cash, through after-tax payroll deductions or, if they are not Section 16 officers, by borrowing the purchase price under the Company Loan Program, as described below. Participants may also pay any accrued interest and/or outstanding principal amounts under their Company loans through after-tax payroll deductions. Participants will be required to select one payment option and not a combination of payment options. No brokerage commissions or other fees will be charged to participants for their purchase of shares under the ESPP.
- Company Loan Program:** Participants, if they are not Section 16 officers, will be eligible to borrow from Orion up to 100% of the purchase price of their shares purchased under this ESPP, provided that an employee may not borrow more per year from Orion than 20% of their gross annual compensation from Orion for the preceding calendar year (or, for newly hired employees, 20% of their scheduled current annual base pay) and no more than \$250,000 in total outstanding at any one time. An aggregate limit on the amount of Company loans to all participants may also be imposed. The loans (including all accrued interest) will be due and repayable in full upon the earlier of (i) the employee’s sale of any shares purchased under the ESPP; (ii) the employee’s departure from Orion’s employment for any reason; (iii) the date immediately prior to the employee becoming an executive officer subject to Section 16; (iv) the 10th anniversary of issuance; or (v) upon the employee’s bankruptcy or insolvency. Interest will be charged at the applicable 10-year loan IRS interest rate and will be payable on each December 31 and/or upon any principal repayment. The current IRS rate as of September 2010 is 3.66%. The loans will be secured by a pledge of any and all Orion shares purchased by the participant under the ESPP, but will otherwise also be fully recourse against the employee, and any and all compensation payable by Orion to the employee will be subject to offset
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and reduction, if necessary, to repay such loans (including any unpaid accrued interest thereon) upon any employment termination. Unpaid annual interest payments will be subject to offset against compensation payable by Orion to such employee.

- Sale of Shares:** The shares purchased by participants under the ESPP will be freely saleable, subject to any applicable loan repayment obligations, insider trading prohibitions and, for Section 16 officers, Section 16 and Rule 144 requirements. All sales must be effected through Wells Fargo Shareholder Services. Upon receipt of the proper Stock Sale Authorization Form and Transaction Request Instructions, Wells Fargo will execute the market sale of the participant's shares as soon as possible at prices then prevailing in the stock market. Wells Fargo will not guarantee any specific sale price or accept specific limit orders. Wells Fargo will charge the selling participant a sales commission or fee for such stock sale. A check for the net sale proceeds will be delivered by Wells Fargo to the Company to ensure that the selling participant repays any outstanding participant loan amount and otherwise for remittance to the selling participant.
- Tax Effect to Participants:** No taxable event will occur to participants upon the grant or exercise of a purchase right under the ESPP because the shares will be purchased at fair market value. When the participant ultimately sells the shares, any gain or loss will be capital in nature. If the participant holds his or her shares for at least one year after purchase, his or her gain or loss will be long-term.
- Book Entry Only Issuance:** Shares will be issued to purchasing eligible participants in book entry form only, coordinated by Wells Fargo Shareholder Services.
- Nontransferability of Rights:** The ESPP stock purchase rights are not transferable by the eligible participant.
- Total ESPP Shares:** 2,500,000 (subject to anti-dilution adjustment upon subsequent stock splits and stock dividends, etc.).
- Administrators:** Wells Fargo Shareholder Services and Orion's Senior Vice President — Human Resources (or other executive officer specified by the Board's Compensation Committee).