



Energy Edge

A NEWSLETTER FOR MEMPHIS LIGHT, GAS AND WATER DIVISION GENERAL POWER CUSTOMERS
OCTOBER 2008

Legislation passed to extend federal tax incentives for building efficiency improvements, solar & other projects

As part of the \$700 billion Emergency Economic Stabilization Act, Congress passed legislation to extend many of the federal tax incentives for energy efficiency and renewable energy projects. These incentives were first enacted as part of the Energy Policy Act of 2005, but either expired at the end of 2007 or were scheduled to expire at the end of 2008. Highlights of the act's energy efficiency provisions include:

- Extension of the commercial buildings tax deduction, set to expire this year, to the end of 2013.
- Extension of the 30-percent tax credit for both residential and commercial solar installations, set to expire this year, through 2016.
- A new tax credit for plug-in hybrid vehicles purchased starting in 2008 and extending until shortly after the number of qualifying vehicles reaches 250,000.
- A new 10% investment tax credit for combined heat and power systems (through 2016)

The bill pays for these provisions by restricting several oil and gas industry tax breaks, and tightening some provisions on the sale of stocks.

“Extension of the energy efficiency tax incentives will help consumers save money on their energy bills due to lower consumption. (It) can also contribute to lower energy prices, as lower demand changes the demand-supply balance that determines energy prices,” stated Steven Nadel, Executive Director of the American Council for an Energy-Efficient Economy, a nonprofit research group that helped develop the original 2005 tax incentives.

Nadel predicted that the multi-year extension of the commercial buildings incentive should increase the number of qualifying commercial buildings. He also welcomed the new tax incentives for combined heat and power systems and plug-in hybrid vehicles, stating “these new incentives should help these emerging industries to grow.” On the other hand, he noted that several of the tax incentives are extended for only one year,

MLGW Rates

MLGW's current and historic electric, natural gas and water rates are published at www.mlgw.com, along with updated Purchased Gas Adjustment and Fuel Cost Adjustment rates.

Purchased Gas Adjustment (PGA)

MLGW Rate	Consumption	Demand
G-1 residential	\$0.430	na
G-7	\$0.360	na
G-8 / G-9	\$0.214	\$0.213
G-10 / G-12	\$0.248	na

Adjustment in \$/Ccf to published natural gas rates for meters read on or after 9/25/08.

Fuel Cost Adjustment (FCA)

TVA Rate Class	MLGW Rate Code	FCA Amount
GSA, Part 1	E-2	\$0.01881
GSA, Part 2	E-2	\$0.01881
GSA, Part 3	E-2	\$0.01860
Residential	E-1	\$0.01902
Outdoor Lighting	E-3	\$0.01905

Adjustment in \$/kWh to all firm kWh, beginning with meters read on 9/25/08 and lasting for three consecutive billing periods.



Important Contact Information

Commercial Resource Center:

Monday-Friday

7:30am-5:00pm Central

Phone: 901-528-4270

Fax: 901-528-4547

E-mail: crc@mlgw.org

Emergency: 901-528-4465

Outage: 901-544-6500

VIEW YOUR BILL ONLINE AT www.mlgw.com

meaning that Congress will need to revisit these incentives next year.

For more information on the current tax incentives, consult your tax professional and see www.energytaxincentives.org, and <http://www.energytaxincentives.org>. MLGW will provide more information on the incentives as details are provided. Customers eager to read the legislation can download the bill at: <http://thomas.loc.gov/cgi-bin/query/z?c110:H.R.1424.eas>:

Curtailment test slated for interruptible gas customers in November

In preparation for the winter, MLGW will be conducting a natural gas curtailment test call during the first two weeks of November. MLGW System Operations staff will be calling the designated contacts that your company provided.

When contacted for the test, your company's designee will be informed that the call is a test. We are not asking your company to curtail during the test. We do, however, encourage you to plan how your company would respond and ensure that your designated contacts know what steps to take in the event of curtailment.

As a reminder, all of MLGW's interruptible transportation rates require that customers install and maintain alternate fuel facilities in proper working condition. We recommend that you inspect your alternate fuel facilities to ensure the equipment is working properly and an adequate fuel supply is on hand. In the event of an actual curtailment, MLGW provides at least one hour prior notice, in order that you have ample time to switch to your alternate source.

The G-10 gas rate offers discounts to participating customers who have back-up heating systems and agree to be subject to service interruption. Contact MLGW's Commercial Resource Center if you have an alternate fuel system and would like to explore a contract change.

EPA encourages Americans to "bring their green to work"

New Energy Star online tool provides employees with workplace energy saving tips

In September, the Environmental Protection Agency (EPA) revealed a new online tool, Energy Star @ Work, to provide Americans with tips and information on how to save energy and protect the environment in the workplace. Energy use in commercial buildings and manufacturing plants accounts for nearly half of U.S. greenhouse gas emissions and nearly 50 percent of energy consumption nationwide. With the average American worker spending almost eight hours a day at their place of employment, the workplace offers a unique opportunity for people to make a significant impact in the fight against climate change.

"Millions of Americans are already doing their part to save energy by being more energy efficient at home," said Robert J. Meyers, EPA's principal deputy assistant administrator for Air and Radiation. "With help from EPA's Energy Star program, we can also take many of the same energy-efficient steps in the workplace."

Energy Star @ Work is an animated image of a typical office work space with tips and links to valuable information employees can use on a daily



basis—from starting a Green Team in the office to simply changing a desk lamp bulb. Simple actions by employees can make a big difference in the overall energy performance of a building. Some of the tips included in the Energy Star @ Work tool include:

- Replace the bulbs in desk lamps with Energy Star qualified compact fluorescent light bulbs. These light bulbs use about 75% less energy than incandescent bulbs and last up to 10 times longer. Energy Star qualified lamps and light fixtures also are available for even more energy savings.
- Use a power strip as a central "turn off" point when you are done using office equipment to completely disconnect the power supply. Even when turned off, electronic and IT equipment often use a small amount of electricity when plugged in.
- Remember to turn off your lights when leaving conference rooms and your work space, especially at the end of the day.
- Use Energy Star qualified battery chargers or power adapters which, on average, use 30%-35% less energy than conventional models. Don't forget to unplug battery chargers or power adapters when equipment is fully charged or disconnected from the charger.
- Get involved! Create a Green Team with your co-workers, help reduce office waste and set a goal to earn the Energy Star label for your building.

EPA also offers energy-saving tips for building managers, executives, and small businesses; information on taking the Energy Star Challenge; and a downloadable tip card to pass along to friends, family, and coworkers.

Energy Star was introduced by EPA in 1992 as a voluntary, market-based partnership to reduce greenhouse gas emissions through superior energy efficiency. Today, the Energy Star label is on more than 50 different kinds of products, on new homes, and on commercial and industrial buildings. In 2007 alone, Americans, with the help of Energy Star, saved more than \$16 billion on their utility bills while reducing greenhouse gas emissions equivalent to those from 27 million vehicles. To take a tour of Energy Star @ Work, go to:

<http://www.energystar.gov/work>

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