



# Energy Edge

A NEWSLETTER FOR MEMPHIS LIGHT, GAS AND WATER DIVISION COMMERCIAL CUSTOMERS

JANUARY 2007

## Winter energy information assembled on MLGW website

MLGW has assembled a new web page, Winter One-Stop, to assist customers with special winter energy needs. Winter One-Stop is designed to give customers easy access to information about energy savings, bill payment, assistance programs, brochures, MLGW contact numbers, industry news and more.

Customers can access the Winter One-Stop Page from [www.mlgw.com](http://www.mlgw.com). Separate pages are offered for residential and business/organization market sectors.

## Congress extends looming deadlines for energy tax incentives

### Commercial building improvements and solar electric projects benefit from extensions through 2008

In December, President Bush signed the Tax Relief and Health Care Act of 2006, which included extensions for some expiring provisions related to the Energy Policy Act of 2005.

Preliminary analysis of the legislation indicates:

- Tax deductions for energy-efficient commercial buildings have been extended one year. Qualified equipment must be placed into service by 12/31/2008.
- Tax credits for photovoltaic or “solar electric property expenditures” at commercial facilities have been extended one year. Qualified equipment must be placed into service by 12/31/2008.

Details of the tax incentives can be found at various websites, including [www.energytaxincentives.org](http://www.energytaxincentives.org), [www.irc.gov](http://www.irc.gov), and <http://www.efficientbuildings.org/index.html>. Keep in mind that many websites have not yet updated their content to reflect the deadline extensions, so it is important to consult with your tax professional for specific guidance before embarking on a capital-intensive project. For background information on the tax incentives, contact MLGW’s Commercial Resource Center to request the “EPACT Excerpts” summary.

### Purchased Gas Adjustment (PGA)

MLGW Rate	Consumption	Demand
G-1 residential	\$0.5371	na
G-7	\$0.5001	na
G-8 / G-9	\$0.4195	(\$0.0680)
G-10 / G-12	\$0.3382	na

Adjustment in \$/Ccf to published natural gas rates for bills rendered on or after 12/27/2006.

### Fuel Cost Adjustment (FCA)

TVA Rate Class	MLGW Rate Code	FCA Amount
GSA, Part 1	E-2	\$0.00010
GSA, Part 2	E-2	\$0.00010
GSA, Part 3	E-2	\$0.00010
GSB, Firm	E-2	\$0.00010
GSC, Firm	E-2	\$0.00010
GSD, Firm	E-2	\$0.00010
MSB, Firm	E-2	\$0.00010
MSC, Firm	E-2	\$0.00010
MSD, Firm	E-2	\$0.00010
Residential	E-1	\$0.00011
Outdoor Lighting	E-3	\$0.00011

Adjustment in \$/kWh to all firm kWh, beginning with bills rendered on 12/27/2006 and lasting for three consecutive billing periods. See current electric rate tariffs at [www.mlgw.com](http://www.mlgw.com) for description of electric load specifications per TVA Rate Class.



### Important Contact Information

Commercial Resource Center:

Monday-Friday

7:30am to 5:00pm Central

Phone: 901-528-4270

Fax: 901-528-4547

E-mail: [crc@mlgw.org](mailto:crc@mlgw.org)

Emergency: 901-528-4465

Outage: 901-544-6500

Outage: 901-544-6500

## **TVA Generation Partners enrollment extended through 2007**

MLGW and TVA have extended the enrollment deadline for businesses interested in installing solar generation under the Generation Partners demonstration program. Generation Partners encourages private investment in solar technology by offering a generation credit of \$0.15 to \$0.20 per kilowatt hour (kWh) generated over a 10-year period. The generation credit is applied to the customer's monthly MLGW bill. Two customers in Shelby County are currently participating, including Sharp Manufacturing, which produces solar panels at its southeast Memphis facility.

Qualified photovoltaic systems must be operational by 12/31/2007 to enroll in Generation Partners. Depending on tax status, customers can take advantage of federal tax credits in addition to the Generation Partners generation credit. For information, contact Becky Williamson at 528-4748 or email [bwilliamson@mlgw.org](mailto:bwilliamson@mlgw.org).

## **MLGW executes natural gas contract for additional savings**

After months of negotiations, MLGW has entered into an agreement with the Tennessee Energy Acquisition Corporation (TEAC) to purchase a portion of MLGW's natural gas supply at a discounted rate that is below market index cost. MLGW expects to realize a total savings of \$102 million over the agreement's 20-year term, with no up-front investment.

The agreement does not set the price of natural gas, but rather provides MLGW with a pre-determined discount for all gas purchased through TEAC. As a result, fluctuations in market prices will be lessened which will benefit customers by helping stabilize the PGA and delaying future rate increases.

**Energy Edge** is published by the Economic Development department of Memphis Light, Gas and Water Division. Comments and distribution list changes may be e-mailed to: [crc@mlgw.org](mailto:crc@mlgw.org)