

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

JANUARY 2008 —

New electric and gas rates take effect

MLGW's temporary one-year electric rate decrease and the natural gas rate increase took effect with meters read on 12/26/07, so the first bills impacted are arriving on your desk now.

New gas rate tariffs are posted at <u>www.mlgw.com</u> under Commercial/Industrial > Rates. Language for the electric rate tariffs did not change, but an Electric Temporary Weather Credit tariff was created to append to the electric tariffs for the 12-month period.

The Purchased Gas Adjustment (PGA) value for meters read beginning 12/26/07 reflects gas costs from the previous month, under the prior rate structure. While the PGA is substantially less than on 12/27/06 (when G-7 PGA was \$0.5001, for example), MLGW expects the PGA to be even lower in future months under the new gas rate structure.

See the December 2007 issue of *Energy Edge* for details about the rate changes.

MLGW adjusts credit policies for 2008

With the start of the New Year, several credit policy changes become effective for MLGW customers. Changes affecting businesses and organizations, referred to as "general power customers," include:

Utility Payments

 As of 1/1/2008, MLGW field personnel will no longer accept payments collected from general power customers at the customer's place of business.

Utility Deposit

- The method for determining a deposit for a general power customer now is based on the second-highest usage for each metered service during the previous 12 months. This is a change from the prior method, which calculated the deposit as 2.5 times the second-highest usage. The minimum deposit has been raised from \$205 to \$355. The length of time MLGW holds the deposit has been reduced from after 36 consecutive months of timely payments to after 24.
- MLGW now offers an Exception Deposit Calculation,

MLGW Rates

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

Purchased Gas Adjustment (PGA)

MLGW Rate	Consumption	Demand
G-1 residential	\$0.158	na
G-7	\$0.140	na
G-8 / G-9	\$0.145	\$0.331
G-10 / G-12	\$0.238	na

Adjustment in \$/Ccf to published natural gas rates for meters read on or after 12/26/07.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.00278
GSA, Part 2	E-2	\$0.00278
GSA, Part 3	E-2	\$0.00275
Residential	E-1	\$0.00282
Outdoor Lighting	E-3	\$0.00282

Adjustment in \$/kWh to all firm kWh, beginning with meters read on 12/26/07 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 <u>www.mlgw.com</u>

JANUARY 2008	PAGE 2	MLGW ENERGY EDGE		
where an MLGW representative will evaluate the premises and calculate estimated usage if the result of				
the primary calculation method is disputed.				
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- MLGW also will accept a letter of reference from another utility, if services were provided in the same customer name for at least 24 consecutive months ending in the previous 12 months. Other criteria apply.
- The guarantor option for deposits is no longer available.

Credit Score

The customer's credit rating now changes when an MLGW non-payment disconnect order is created, instead of at the time of the reconnect order. Non-payment results in the customer being assessed credit points, which can increase the MLGW deposit amount and could affect the customer's credit status with various credit reporting agencies.

Deferred Payment Plan

- General power customers with a past due amount of \$500 or more may qualify for MLGW's Deferred Payment Plan, provided they meet certain conditions. Customers must pay 25% of the past due amount, plus the current charges; the remainder of the past due amount may be paid over a five-month period. Balances in excess of \$2,999 may be spread over a 12-month period.
- Customers will be required to complete a General Power Service Agreement when requesting a Deferred Payment Plan, provided one is not already on file.

The policies were approved by MLGW's Board of Commissioners on 10/18/07 for 2008 implementation.

MLGW co-hosts DOE Steam System Specialist training and exam

MLGW and TVA will partner with the U.S. Department of Energy's Energy Efficiency and Renewable Energy Center to offer a two-and-one-half day training course and certification exam for steam service providers interested in using DOE's BestPractices Steam Tools. The course will be held February 26-28 at MLGW's Training Center, 4949 Raleigh LaGrange Road.

Steam systems are complex and include many components that interact and influence the operation of the entire system. Steam System Specialist Qualification Training will emphasize using the BestPractices SteamTools to perform a global investigation to identify and quantify potential steam system improvement opportunities. This suite of tools include the following: Steam System Scoping Tool (SSST), Steam System Assessment Tool (SSAT), Steam System Survey Guide (primary reference text for the training) and 3E Plus Insulation Appraisal Software (overview only).

Course registration is \$300, including lunch and refreshments. For information on prerequisites or to register, contact TVA's Vernon Knight, Jr. at <u>vrknight@tva.gov</u> or 423-876-4123.

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: <u>crc@mlgw.org</u>