

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

JANUARY 2011

Energy Efficiency Loan program opens for additional applications

West Tennessee response lags; just two applications submitted for facilities in Shelby County

With approximately \$25 million in first-round applications under final review and execution, Pathway Lending has re-opened the Energy Efficiency Loan Program application process for Tennessee businesses and qualified non-profits. The \$50 million program was launched in August 2010 to help Tennessee companies finance investments in energy-efficient technology, energy retrofits and renewable energy systems, thereby reducing energy costs, operating expenses and greenhouse gases while spurring economic growth.

The second round started 1/4/2011 and will remain open until all funds from the Energy Efficiency Loan Program are committed to qualified applicants on a first come, first serve basis.

"Companies of all sizes and in different industries from across the state took advantage of the program as soon as it was launched. These companies have been able to implement energy efficiency savings which are now lowering their operating costs," said Clint Gwin, President of Pathway Lending. "Our goal is to provide as many loans as quickly as possible to Tennessee businesses so they can reap the benefit of energy savings and continue providing jobs for Tennesseans."

Through the energy efficiency program, Pathway Lending offers below-market rate loans, with terms extending up to 10 years. Loans can finance up to 100% of costs on projects including building retrofits, equipment replacements or upgrades, lighting and renewable generation. The loans are designed to be repaid with the energy costs savings derived from each project.

"Pathway Lending continues to seek eligible applicants in Memphis and Shelby County by working through electrical/mechanical contractors, MLGW, and chambers of commerce," noted Al Campbell, West Tennessee's Client Manager for Pathway Lending. "We know there are moneysaving improvements out there and encourage business and industry to consider energy efficiency as a way to upgrade their facility and improve their bottom line. Many projects may qualify for additional TVA and Federal incentives, further

MLGW Rates

MLGW's current and historic 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	(\$0.373)	na
G-7	(\$0.367)	na
G-8 / G-9	(\$0.456)	\$0.544
G-10 / G-12	(\$0.470)	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 1/3/2011.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.00571
GSA, Part 2	E-2	\$0.00571
GSA, Part 3	E-2	\$0.00564
Residential	E-1	\$0.00577
Outdoor Lighting	E-3	\$0.00578

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 1/3/2011.



Important Contact Information

Commercial Resource Center: Monday-Friday 7:30am-5:00pm Central		
Phone:	901-528-4270	
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E-mail:	crc@mlgw.org	
Emergency:	901-528-4465	
Outage:	901-544-6500	

VIEW YOUR BILL ONLINE AT <u>www.mlgw.com</u>

lowering the project cost. Our loan allows companies to make the investment and pay for it with the energy savings."

The Energy Efficiency Loan Program is available to any business, as well as eligible 501(c)3 and 501(c)6 non-

profit organizations, seeking to reduce energy consumption in its Tennessee facilities through efficiency-improving projects. To be eligible for a loan, a business must have a complete thirdparty energy audit, assessment, or vendor proposal with detailed project energy savings. These energy savings determine the amount and term of the loan and the applicant's ability to repay the loan with those savings.

Need an energy assessment or audit to get started? TVA's Commercial Efficiency Advice and Incentive program can yield the details needed to meet the assessment or audit criteria for loan application. Visit www.mlgw.com/businessenergyincentives.

The Energy Efficiency Loan Program is a collaborative effort between the State of Tennessee, the Tennessee Valley Authority, Pinnacle Financial Partners, the U.S. Department of Energy, the U.S. Economic Development Administration, and Pathway Lending.

To learn more about the Energy Efficiency Loan Program, please visit <u>www.pathwaylending.org</u> or call (615) 425-7171. Applicants can also contact Campbell directly at (731) 424.6125 or <u>al.campbell@pathwaylending.org</u>

December 2010 set records for peak electric demand on TVA system

December's arctic blast of bone-chilling weather produced some of the highest demands for electricity on record for the Tennessee Valley Authority (TVA), MLGW's power supplier.

On 12/14/2010, a peak load of 31,436 megawatts was the highest December peak in TVA history, coming at 8:00am EST with the temperature hovering at 15 degrees. It also was the highest winter peak since 1/16/2009, which was 32,572 megawatts.

On 12/13/2010, TVA set a new December record for daily electricity demand of 674.9 gigawatt-hours. This is TVA's third highest amount for a 24-hour period ever. Daily demand on Dec. 14 was 663.5 gigawatt-hours, seventh highest of all time.

TVA's 24-hour demand record is 701.4 gigawatt-hours, set 1/8/2010. A gigawatt-hour equals 1 billion watt-hours. (For comparison, if you have 10 100 watt light bulbs running for one hour it equals 1,000 watt-hours.)

"The cold temperatures caused people to use more electricity as they turn up their thermostats and turn on space heaters," said Kim Greene, TVA's group president of strategy and external relations. "Using more electricity means electric bills will likely be higher (this winter)".

Energy Edge is published by the Commercial & Industrial Customer Care department of Memphis Light, Gas and Water Division. Comments and distribution list changes may be e-mailed to: <u>CRC@mlgw.org</u>