

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

FEBRUARY 2011

TVA reducing emissions faster than national average

A federal study shows Tennessee Valley Authority power plants have reduced emissions of two key acid rain components to a fraction of what was being released 30 years ago, and at a rate faster than the national average for the industry. The study, released 12/20/2010 by the Environmental Protection Agency, touted the success of the Acid Rain Program, which is designed to reduce emissions from the country's fossil-fueled power plants.

TVA's data from 2009 shows the utility reduced its sulfur dioxide emissions by 82% since 1990 and 87% since 1980. In 2009, TVA emitted 198,490 tons of sulfur dioxide, nearly 1.39 million tons less sulfur dioxide than it did in 1980, and 896,550 tons less than in 1990.

"TVA has spent more than \$5 billion to install emissions control equipment across our coal fleet since 1977," said Anda Ray, TVA senior vice president for Environment and Technology. "That investment is paying off by allowing us to produce low-cost power in a manner that meets federal guidelines."

TVA operates 11 coal-fired generating plants with 59 units. TVA has idled, or intends to idle by 2015, nine generating units within its coal plant fleet. The decrease in coal capacity will be made up by cleaner energy options including energy efficiency and nuclear power.

TVA has also significantly reduced its nitrogen oxide emissions, another component of acid rain. TVA emissions of nitrogen oxides decreased nearly 86% between 1990 and 2009, including an 89% reduction from the agency's peak in 1995. TVA emitted 57,740 tons of nitrogen oxides in 2009. That was 346,560 tons less than in 1990. The reduction in nitrogen oxides is equal to removing 18 million cars, pick-up trucks and sport utility vehicles from the road each year.

"We have a commitment to improving the way we protect, preserve and enhance the environment and we can always do more," Ray said. "TVA has adopted a vision to be one of the nation's leading providers of low-cost and cleaner energy by 2020. This includes being a national leader in improving air quality."

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	(\$0.364)	na
G-7	(\$0.368)	na
G-8 / G-9	(\$0.430)	\$0.528
G-10 / G-12	(\$0.380)	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 2/1/2011.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.00455
GSA, Part 2	E-2	\$0.00455
GSA, Part 3	E-2	\$0.00449
Residential	E-1	\$0.00459
Outdoor Lighting	E-3	\$0.00460

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 2/1/2011.



Important Contact Information

Commercial Resor Monday-Friday 7:30am-5:00pm Phone: Fax: E-mail:			
Emergency:	901-528-4465		
Outage:	901-544-6500		
VIEW YOUR BILL ONLINE AT www.mlgw.com			

Business Energy Advisor web content refreshed with new information

Each quarter, content in the Business Energy Advisor section of MLGW's website is expanded and refreshed to capture the latest information on new technologies, O&M best practices and energy efficiency. Here are highlights about recent changes:

Updated Guide to Maintaining Light Output over Time

The output from all light fixtures declines over time due to dirt accumulation and degradation of output from the lamp itself. Visit the Maintaining Equipment section at <u>www.mlgw.com/businessenergyadvisor</u> for information on maintaining light output over time for various technologies, including the latest thing—light-emitting diodes.

Updated Guide to Buying Energy-Efficient Track Lighting

Track lighting represents a great opportunity for energy savings. Recent advances in several technologies, including light-emitting diodes, compact fluorescent lamps, and low-wattage ceramic metal halide lamps, offer more savings in a wider range of applications than ever before. Check out the latest developments at www.mlgw.com/businessenergyadvisor, under the Buying Guide section.

Business Energy Advisor provides users with an objective review of technologies and trends, to assist in your research and decision-making. Visit today!

Increase in city and county water rates began January 3

Just a reminder that the water rate increase approved by the Memphis City Council for MLGW's 2011 fiscal year went into effect for meters read on and after 1/3/2011. Rates for fire protection and other services were also affected. See the complete list of water rates at <u>http://www.mlgw.com/SubView.php?key=comm_genrateinfo</u>

The rate action was an approximate 5% increase over rates previously changed on 6/26/08. The increase was needed to avoid negative net income in the water division during 2011, which could jeopardize MLGW's bond rating and low cost of borrowing funds in the future.

To minimize the financial impact of the rate increase, now is the time to locate and fix water leaks—which also will lower your consumption-based sewer fees.

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>