



Energy Edge

A NEWSLETTER FOR MEMPHIS LIGHT, GAS AND WATER DIVISION KEY ACCOUNT CUSTOMERS
APRIL 2011

Meters read 3/31 kick-off new electric seasonal rates and FCA structure

MLGW bills landing on desks and inboxes in April reflect TVA's new seasonal rates and restructuring of fuel costs.

Electric meters read beginning 3/31/11 are billed under the Transition month rate, the lowest of TVA's new three seasonal categories. Electric rates are lower during transition months—April, May, October and November—due to lower electric demand and lower costs.

Customers who track the value of the monthly Fuel Cost Adjustment (FCA) may be alarmed to see that the value has risen from 6/10th of a penny to approximately 2 1/2 cents—but don't forget that there is a corresponding decrease in the energy charges so the net impact is zero.

See the March issue of *Energy Edge* for details about the new seasonal rate, plus change in FCA, energy charges and demand charges. See details about the new rates online at http://www.mlgw.com/SubView.php?key=comm_genrateinfo

New incentive programs launched to encourage energy efficiency upgrades to existing facilities

Offset the impact of seasonal rates by lowering energy consumption through qualified upgrades

Effective 4/4/2011, TVA debuted a new energy efficiency incentive program, called Energy Right Solutions for Business. Replacing the Commercial Efficiency Advice and Incentive (CEAI) and the Fast Cash for Small Business pilots introduced in 2009-2010, Energy Right Solutions for Business (ERSB) expands eligible improvement categories while streamlining processes.

In addition to incentives for lighting and HVAC improvements, ERSB provides rebates for commercial kitchen equipment and motors, as well as a custom incentive program for other energy efficiency efforts.

- **Standard Rebates for Food Service Equipment Retrofit:** Incentives for the replacement of certain types

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	(\$0.296)	na
G-7	(\$0.327)	na
G-8 / G-9	(\$0.481)	\$0.485
G-10 / G-12	(\$0.493)	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 3/31/2011.

Fuel Cost Adjustment (FCA)

TVA Rate Class	MLGW Rate Code	FCA Amount
GSA, Part 1	E-2	\$0.02477
GSA, Part 2	E-2	\$0.02477
GSA, Part 3	E-2	\$0.02447
Residential	E-1	\$0.02503
Outdoor Lighting	E-3	\$0.02507

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 3/31/2011.



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

of food service equipment with specified more energy-efficient units, including: commercial dishwashers (\$200 to \$750 each), commercial refrigerator door glass (\$30 to \$50 each), air-cooled ice machines (\$50 to \$200 each), insulated holding cabinets (\$125 to \$300 each), electric steam cookers (\$200 each), electric convection ovens (\$100 each), electric griddles (\$100 each) and electric combination ovens (\$1,000 each).

- **Standard Rebates for HVAC:** Incentives for replacement of inefficient heating, ventilation and cooling equipment with specified more energy-efficient equipment, including: air-cooled unitary air conditioners and heat pumps, water-cooled unitary air conditioners and heat pumps and packed terminal units. The rebate is \$20 per ton for each technology.
- **Standard Rebates for Interior Lighting Retrofit:** Incentives for replacement of inefficient lighting with specified more energy-efficient fixtures and lamps, including: existing T12 fixtures (\$1.50 to \$15 per fixture), existing T8 fixtures (\$1 to \$4 per fixture), existing HID fixtures (\$6.50 to \$40 per fixture), existing incandescent fixtures (\$3 to \$12 per fixture) and existing exit signs (\$10 per fixture).
- **Standard Rebates for Motor Retrofit:** Incentives for replacement of inefficient motors with certain premium efficiency motors. Rebates vary from \$5 to \$150 per motor, based on horsepower.
- **Custom Rebates for Other Qualified Projects:** Incentives for eligible sustainable and measurable energy efficiency projects not addressed by any of the standard rebate offerings. Incentive is based on \$0.05 per kilowatt-hour (kWh) saved during the first year.

MLGW will be updating its website soon; in the interim, you can find more details and applicable incentive documents at: <http://www.energyright.com/commercial/>. Forms are designed to be completed online and then submitted via email for convenience. Contact TVA's Energy Right Solutions for Business support center at TVAbusinessincentive@tva.gov or 866-233-0450.

New construction projects do not qualify for ERSB incentives, as the program is designed to encourage replacement of older, less efficient equipment already in operation.

April 4 storm knocks out power to 71,000 customers

The 4/4/2011 storm that swept through Shelby County around noon caused significant damage, especially inside the southern half of the I-240 loop. MLGW's Electric Crisis Team was activated immediately, coordinating damage assessment activities, assembling MLGW crews, securing outside resources, and interacting with local Emergency Management Agency officials.

As a municipal utility, MLGW has Mutual Aid Agreements with other municipal utilities to enable crews from outside Shelby County to assist in restoration efforts. Twenty-five of these contracted crews participated in restoration efforts, supplementing MLGW's 100 crews with all working 16-hour shifts around-the-clock to restore service as quickly and safely as possible.

In terms of damage to MLGW's system, this storm ranks as the fifth strongest in recent history. Preliminary damage estimates include 75 poles, 140 locations that required replacement of primary electric lines, hundreds of locations that required replacement of secondary electric lines, 200 tree trimming locations, and 23 transformer replacements. In addition, numerous customers suffered damages to weatherheads, homes, businesses, and other property.

The 7/22/2003 storm commonly referred to as "Hurricane Elvis" was the most destructive event for MLGW's electric system, followed by the ice storm of 2/11/1994 and storms on 6/12/2009 and 8/5/2005.

During large outage restoration efforts, customers often suggest putting all of MLGW's electric services underground. Over the past 30 years, storm outage restoration has cost MLGW \$100 million. To put all lines

underground would cost about \$3 billion, so it's simply not a cost-effective capital investment for our customers. Underground electric service is not without challenges, as buried infrastructure is more difficult to troubleshoot and repair when problems arise. In addition, switching from overhead to underground in places such as Midtown would likely result in costly and inconvenient relocation of water, sewer or gas lines.

EV Project seeking sites for electric vehicle public charging stations

Applications still being accepted as leaders identify potential locations and site assessments begin

Businesses and organizations interested in hosting public-access electric vehicle charging stations for customers and employees are urged to submit their applications now in order to ensure consideration. The EV Project will provide free charging stations at 40 to 50 locations, with installations slated for completion later this year. The EV Project, which combines federal and private funds to expand electric vehicle charging infrastructure in key U.S. markets, announced the inclusion of Memphis and Shelby County during a public meeting on 2/22/11.

The City of Memphis recently posted a list and map of recommended charging locations on its website, <http://www.memphistn.gov/framework.aspx?page=1304>, seeking comments from residents and businesses. To provide feedback, contact Kerry Hayes at kerry.hayes@memphistn.gov. It's important to note that the listed locations are a combination of civic planning, brainstorming and business applications, as not all locations have submitted documents to participate in the EV Project. This means there is still time to participate, since sites are awarded on a first-come basis.

There are two ways that your business or organization can be involved in the fast-moving EV Project:

- MLGW customers interested in hosting public-access charging stations on their property should sign a non-binding Letter of Intent. An assessment will be conducted to determine installation site and cost, exposure to public EV users, and other factors ECOTality will use to select locations.
- MLGW customers interested in buying a Nissan LEAF for personal or business use and who wish to receive a free private Level 2 charging station plus a factory-installed DC Fast Charge connection port through the project also should sign the non-binding Letter of Intent.
- *To request the Letter of Intent, email: SCox@ecotality.com and indicate your interest as either a potential LEAF buyer or a potential public-access charging station host.*



For more information, see the March issue of *Energy Edge* or visit www.mlgw.com/evproject

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: crc@mlgw.org