MLGW

Energy Edge

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

MAY 2008

TVA presents draft energy efficiency plan to slow electric growth by 2012

Public encouraged to comment on proposal

TVA officials presented their "Draft Energy Efficiency and Demand Response Plan" at a public meeting held in Memphis on 4/22/2008, one of several presentations made across the region. The session was held at BRIDGES, one of the "greenest" buildings in Shelby County, on Earth Day—a fact that was not lost to attendees who represented government agencies, community organizations, businesses and concerned citizens.

TVA generates and supplies electricity to MLGW and other electric distributors throughout Tennessee, plus parts of six surrounding states. Peak demand on TVA's electric generation system is growing at a rate of 1.8% annually, while electric consumption is growing at 1.2%. This unbalanced growth presents a challenge to the federal power agency, as TVA must have electric supply capacity to meet peak demand, but achieves revenue based on the lesser level of electric consumption. Situations like last summer's record heat wave add another layer of complexity, requiring TVA to purchase power—at higher costs—to meet peak electric needs. (During fiscal year 2007, approximately 12% of TVA's total system load was supplied through purchased power—with as much as 20% of purchased power used to meet demand during record-breaking periods.)

TVA's "Draft Energy Efficiency and Demand Response Plan" seeks to slow the current rate of power demand growth by providing short- and long-term energy efficiency opportunities to residential, business and industrial customers. In the short-term, the plan proposes to reduce growth in peak demand by up to 1,400 megawatts (MW)—approximately the amount generated by one nuclear power unit—by the end of the 2012 fiscal year. The plan also proposes reducing electric consumption growth by 4.3 million megawatt-hours (MWh).

Highlights in the draft include:

- **Energy Efficiency**—Training, programs and incentives to reduce energy consumption during all hours of the day, but initally targeted for maximum effect during peak periods.
- **Demand Response**—Programs, incentives, infrastructure and price signals to lower electric demand during the

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	$0.411	na
G-7	$0.362	na
G-8 / G-9	$0.283	$0.276
G-10 / G-12	$0.315	na

Adjustment in $/Ccf to published natural gas rates for meters read on or after 4/28/08.

Fuel Cost Adjustment (FCA)

TVA Rate Class	MLGW Rate Code	FCA Amount
GSA, Part 1	E-2	$0.00573
GSA, Part 2	E-2	$0.00573
GSA, Part 3	E-2	$0.00565
Residential	E-1	$0.00580
Outdoor Lighting	E-3	$0.00580

Adjustment in $/kWh to all firm kWh, beginning with meters read on 3/28/08 and lasting for three consecutive billing periods.

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Important Contact Information

Commercial Resource Center:
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E-mail: crc@mlgw.org

Emergency: 901-528-4465

Outage: 901-544-6500

VIEW YOUR BILL ONLINE AT www.mlgw.com

hours when energy use is highest (summer afternoons and winter mornings).

- **End-Use Generation**—Programs and marketing to increase awareness and participation in TVA's voluntary renewable energy program (Green Power Switch and Generation Partners), plus new products to encourage installation of clean end-use generation.
- **Internal Reduction**—Processes and procedures to ensure TVA's operations meet (and exceed, where feasible) federal regulatory efficiency requirements.

MLGW staff has reviewed the draft plan and is devising proposals to assist TVA in their development and implementation efforts. MLGW customers are encouraged to read the TVA draft and submit comments based on their business and/or household needs and interests regarding energy consumption, electric load, electric rate options and other energy issues.

TVA's plan and slides from the public meetings are available at http://www.tva.com/abouttva/board/draft_plans.htm Comments can be submitted using the designated fields near the bottom of the webpage. Comments must be submitted by 5/12/2008 to be included in TVA's formal review process.

MLGW customers are encouraged to read the TVA draft and submit comments based on needs and interests. Comments must be made by 5/12/2008.

Memphis sewer and storm water runoff fees to increase this summer

Residents, businesses and organizations within the City of Memphis will experience an increase in both the sewer fee and storm water runoff fee this summer.

Sewer rates will increase effective with bills produced 8/1/2008. In general, the standard rate of $0.6545 per hundred cubic feet (Ccf) of water consumption will rise to $0.7166. The rate increase, detailed in Ordinance 5239, was approved by the Memphis City Council on 11/20/2007.

The storm water runoff fee will experience its next planned annual increase, rising from $2.88 per SFU to $3.30 per SFU, beginning with utility bills produced 7/31/2008. One SFU, or single family unit, equals 3,147 square feet, the average amount of impervious surface for a residential property. Non-residential lots are assessed the fee based on the number of SFUs for their property. Fees are collected to fund the operation of the city's Storm Water Enterprise Fund, an organization charged with making mandated improvements to storm water infrastructure. The ordinance is available at http://www.cityofmemphis.org/pdf_forms/ordinance5135.pdf

MLGW bills for these services on the monthly utility bill, as a convenience for customers and city agencies. The fees are approved by Memphis City Council and resulting services are managed by the Division of Public Works.

What can you do?...

MLGW replaces weatherstripping to reduce energy waste, boost comfort

MLGW made simple, low-cost improvements to its Administration Building that will reduce energy use, help control occupant comfort and improve indoor air quality.

MLGW replaced worn out weatherstripping around its lobby doors, an important building envelope measure that every business and resident can implement to lower energy costs.

New web report cites commercial applications for LEDs

E-Source, the company that publishes MLGW's Business Energy Advisor web content, has issued a new review of light-emitting diodes (LEDs) for commercial applications. The report explores the usefulness of these light sources in many new and emerging applications, including parking-lot lighting, commercial signage, desk lamps, under-cabinet fixtures, refrigerated cases, and overhead recessed downlighting.

It is important to remember that even though LED technology is rapidly improving, it will likely be a number of years before the technology is cheap and efficient enough to displace fluorescent and high-intensity discharge light sources for general indoor illumination. This Purchasing Advisor will help you decide whether LEDs are right for your application. View the report by going to http://mlgw.com/frameset.php?head=comm&content=comm_energyadvisor then clicking Purchasing Advisor > Lighting > Light Emitting Diodes. You can download, save and print the file for sharing within your organization.

Purchasing Advisor content in the Office Equipment section also has been updated, including sections on smart power strips, computer monitors and computer power-management software—offering advice on making common office equipment more energy-efficient, without impacting productivity.

Test your knowledge during National Air Quality Awareness Week

EPA and the National Weather Service challenge all Americans to improve their knowledge of the Air Quality Index (AQI) during the annual "Air Quality Awareness Week" that takes place this year from April 28 to May 2, 2008. As warm weather approaches, using the AQI will help reduce exposure to ground-level ozone pollution. The Air Quality Index is EPA's color-coded tool for communicating air quality to the public. The most common AQI forecasts range from "code green" (a good day to engage in outdoor activities) to "code red" (when everyone should use caution).

This summer, residents of many cities may notice more "code orange" ozone days than in the past. The potential increase in these "orange" days does not mean air quality is getting worse; it is a result of EPA's recent strengthening of the national ozone standards. However, any time air quality reaches "code orange," those sensitive to ground-level ozone should alter their outdoor activities to reduce exposure.
The daily AQI forecast is widely available from a variety of electronic and print media sources. Members of the public can also receive daily email updates of the air quality forecast by subscribing and following the directions on "EnviroFlash" at: http://www.airnow.gov/ Recent improvements to EnviroFlash make it easier to use. Just enter: the name, e-mail address, and zip code and EnviroFlash will find the nearest local forecast. The information can also be customized to select a specific forecast to be received, such as for "code red" days only.

Information about state and local Air Quality Awareness Week events is available at: http://airnow.gov/airaware, under state/local activities. The National Weather Service also provides a national air quality forecast at: http://www.weather.gov/aq Information on air quality trends through 2007 is available at: http://www.epa.gov/airtrends

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