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

OCTOBER 2017

Electric rate increase triggered by TVA wholesale rate adjustment

At its 8/23/2017 meeting, the Tennessee Valley Authority (TVA) Board determined that adjustments to wholesale electric rates were necessary to recover expected costs. MLGW is required to incorporate TVA wholesale rate changes into its retail rates, resulting in an average increase of approximately 1.5%, with some slight variation among tariffs.

The new MLGW electric rates, which are effective with meters read on and after 9/29/2017, are accessible at http://www.mlgw.com/commercial/commercialrates

TVA announces changes to Energy Right Solutions for Business+Industry

With an evolving market, increasing codes and standards, improved technology and decreased pricing, the role of the utility incentive as part of the consumer decision is not as powerful as it once was. In fact, applications from MLGW customers have fallen dramatically in 2017.

As a result, TVA made the following changes to the Energy Right Solutions for Business+Industry (ERBS+I) program:

- PPN Exclusivity: As a means to improve consumer experience, TVA is introducing PPN-Exclusivity to the ERSB+I program. This requirement, which was announced last year and has been in place for lighting projects for some time, is now being expanded to all ERSB+I projects. Requiring that all project submissions go through a trained PPN will result in increased program efficiency, better lines of communication and stronger relationships with PPN members.
- Project Minimum: The minimum project allowance for ERSB+I application is decreasing to \$150 in estimated incentives per project. Previously, the minimum was set at a \$500 estimated incentive to ensure that project processing costs were covered. Through continual improvement of program processing and reduced administrative costs, TVA is able to pay incentives on smaller projects. Projects must have a payback greater than two years to qualify.

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	(\$0.011)	na
G-7	(\$0.051)	na
G-8 / G-9	(\$0.091)	\$0.085
G-10 / G-12	(\$0.085)	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 9/29/2017.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.01810
GSA, Part 2	E-2	\$0.01806
GSA, Part 3	E-2	\$0.01784
Residential	E-1	\$0.01825
Outdoor Lighting	E-3	\$0.01801

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 9/29/2017.



Important Contact Information

Business Solutions Center:

Monday-Friday

8:00am-4:30pm Central

Phone: 901-528-4270
Fax: 901-528-4547
E-mail: mlgwbsc@mlgw.org

Emergency: 901-528-4465 Outage: 901-544-6500

Maintenance, Trouble and Gas

Pilot Safety: 901-820-7878

VIEW YOUR BILL ONLINE AT www.mlgw.com

- Program Cap: In an effort to ensure equal opportunity for program
 participation, ERSB+I will institute a \$200,000 cap on yearly incentives
 for energy efficiency projects at the corporate level, as determined by the
 Federal Tax Identification Number. Electrification projects are not
 included in this cap.
- Incentives for Lighting Projects: Representing as much as 90% of all applications annually, lighting projects have been the bulk of improvements receiving incentives through ERSB+I. As the cost of lighting technologies decreases, TVA has adjusted the incentives as well, which helps ensure available funding for other, potentially more expensive technologies with a higher return on investment. The lighting incentive will decline from an aggregate of \$0.06 to \$0.04 per kWh.

Over the last five years, approximately \$20 million in TVA energy efficiency incentives has been earned by businesses and organizations in Shelby County. If you have a potential project, be sure to check for incentive eligibility before you begin.

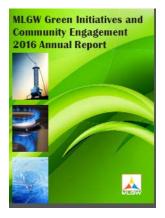
- Any applications received prior to 9/29/2017 at 5:00pm Central that include a valid Preferred Partners Energy Calculator (PPEC) submission code will be grandfathered into the program at the current rate. PPECs not matched to the application submission code in the online application will be either purged or updated with the new rates, project dependent.
- Non-Road Electric Vehicles (NREV) Measures: NREV measures will be added to standard measures as part of the ERSB+I program. Online application will be updated accordingly. Previously NREV measures have been part of a standalone program associated with EPA obligations.
- National Accounts: The National Account offering is being revamped to help streamline the participant experience. National accounts will now enroll, enabling representatives to choose their sites from a prepopulated database and select measures from a list of those most commonly installed.

For more information, visit www.energyright.com

MLGW publishes 2016 Green Initiatives Report

The 2016 edition of the "MLGW Green Initiatives and Community Engagement Annual Report" is now available online. The report summarizes customer options for conservation, energy efficiency and renewable generation, along with program performance. In addition, the report outlines MLGW's internal efforts, including energy education, volunteerism and adoption of alternative fuel vehicles.

The 2016 report, as well as prior reports, can be downloaded at: http://www.mlgw.com/community/greeninitiativesreportcommunitysection



Mayor appoints two advisory members to MLGW Board

Memphis Mayor Jim Strickland recently named two suburban ex officio advisory members to MLGW's Board of Commissioners. Both the Memphis City Council and MLGW Board approved the resolution creating the new appointments. With input from all six Shelby County suburban mayors, Strickland appointed Kevin Young of Germantown and Dwain Kicklighter of Bartlett. Each will serve a three-year term as an advisory, non-voting member.

Young is s former operations and sales manager in the freight industry. He currently serves as chairman of the Germantown Parks and Recreation Commission. Now retired, Kicklighter worked as Bartlett's water administration manager for the past six years and spent 30 years at MLGW as an accounting supervisor.

The MLGW Board generally meets on the first and third Wednesdays of each month. You can attend in person, watch streaming video or view archives. Learn more here: http://www.mlgw.com/about/boardofcommissioners

MLGW IN THE COMMUNITY





MLGW educates at the Delta Fair

MLGW wants customers to know about saving energy and lowering utility bills. The Division's volunteers staffed an information booth at the 2017 Delta Fair at the Agricenter from September 1-10.

Visitors were given energy-saving information and a chance to spin the wheel to win an insulated bag if they landed on the energy-saving temperature MLGW advises customers to set their thermostats on in summer or winter. What were the "lucky numbers?" 78 degrees in summer and 68 degrees in winter.

MLGW participates in United Way's Campaign and Days of Caring

After a citywide United Way Campaign kickoff on 9/11/2017 at Memphis' United Way of the Mid-South, volunteers from companies, organizations and non-profits across the Greater Memphis area spent an entire week helping local United Way agencies.

For United Way's Days of Caring, MLGW volunteers, including the Division's campaign steering committee, chair and co-chair, worked at several agencies during the week. They wrapped up the "week of caring" helping at Creative Life School on Riverside Blvd. MLGW volunteers landscaped the students' playground, cleaned up the area and painted several rooms in the school.



MLGW volunteers play a strong role in helping our community!







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: mlgwbsc@mlgw.org