

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

Smart meter implementation approved; 5-year project begins in 2016

MLGW's plan for full-scale implementation of smart meters was approved by the Memphis City Council on 12/1/2015. The project, estimated at \$240 million over a five-year period, includes the installation of a telecommunications system as well as more than one million electric, gas and water smart meters and associated systems.

The full-scale project will include the installation of smart meters for commercial and residential customers, as well as the installation or smart-retrofitting of meters for large industrial customers. The telecommunications infrastructure would be builtout across the entire county and smart meter installations will begin by second quarter 2016. Approximately 50,000 meters would be installed each quarter, enabling MLGW to reach full deployment in 2020. MLGW plans to make smart meter data available online for commercial customers in 2017, enabling users to identify trends in electricity, gas and water use to assist in facility management and cost control.

In addition to MLGW operational savings, smart meters deliver a variety of customer service benefits, including: no estimated bills due to property access or weather issues and no need for commercial and industrial customers to supply phone lines at the meters to collect demand data, plus water leak detection, voltage monitoring and outage alerts.

For more information about MLGW's smart meter plans, visit <u>www.mlgw.com/smartgrid</u>

New Year brings electric, gas and water rate changes

After more than a decade with no MLGW operational increase in the electric rate and eight years since the last natural gas operational rate increase, MLGW implemented a variety of rate changes for its new fiscal year. The changes apply to meters read on and after 1/4/2016.

The changes affecting non-residential rates are summarized below:

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	(\$0.018)	na
G-7	(\$0.026)	na
G-8 / G-9	(\$0.081)	\$0.425
G-10 / G-12	(\$0.082)	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 1/4/2016.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.01965
GSA, Part 2	E-2	\$0.01966
GSA, Part 3	E-2	\$0.01941
Residential	E-1	\$0.01989
Outdoor Lighting	E-3	\$0.01995

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 1/4/2016.



Important Contact Information

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

Electric:

- Energy Charges in the Tariff Schedule GSA1 (E-2) Base Charge decreased.
- Outdoor Lighting Schedule LS (E-3) now includes charges for LED lamps.

Gas:

- Service Charges in the Small General Service Schedule G-7 changed along with meter size tiers.
- Consumption Charges for Volumes exceeding 200,000 ccf per month increased in the Large General Service Schedule G-8/G-9, the Large General Service -Interruptible Schedule G-10/G-12 and also Schedule G-10/G-12 Market.
- Schedule FT-1 for Firm Transportation of Customer-Owned Gas was redesigned and renamed Schedule FT.

Water:

• All water tariff charges were increased by 22%.

Find current and historic rates at: http://www.mlgw.com/commercial/commercialrates

TVA renewable generation programs open for 2016 applications

Customers, developers and others interested in participating in TVA's renewable generation programs can begin applying on 1/13/2016. TVA has added new options and redesigned some programs, so please check online for specifics. MLGW's website, <u>www.mlgw.com/greenpower</u>, provides a brief summary as well as links to TVA's portal and to MLGW applications.

MLGW honored for supplier diversity commitment

The Mid-South Minority Business Council Continuum awarded MLGW the title of 2015 APEX Corporation of the Year. The award recognizes a company that shows leadership in supporting companies and small businesses owned by minorities, women and local residents. In 2015, MLGW's spending among these categories has been over \$22 million, which is 38% of the company's overall spending with outside suppliers.

This is the fifth year MLGW has earned the title, underscoring the company's increased focus on supplier diversity. Previous wins for MLGW were in 2011, 2007, 2004 and 2001. Other finalists this year were International Paper and the Memphis-Shelby County Airport Authority.

"The responsibility of supporting business diversity in our community is something we take seriously," said Jerry Collins Jr., president and CEO of MLGW. "It's an honor for MLGW to be named as a leader in this important effort."

MLGW participates in many MMBC Continuum programs annually as well as providing financial and in-kind support. The company also hosts a number of internal programs to support minority- and women-owned businesses, including the annual Procurement Opportunity Fair, which provides a venue for business owners to meet one-on-one with MLGW project managers, end users and procurement professionals to discuss opportunities for the upcoming fiscal year.

To learn more about MLGW's Supplier Diversity Program, visit http://www.mlgw.com/commercial/supplierdiversity.

MLGW named "Environmental Champion" in customer survey

The 2015 Residential Utility Trusted Brand & Customer Engagement survey by Cogent Energy Reports named MLGW one of the top three combined energy providers in the South for environmental dedication.

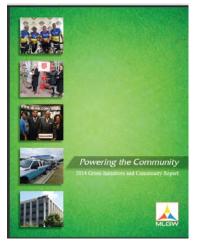
The survey, according to Cogent, measures "operational satisfaction, product experience and brand trust" among utility customers across the country. The national survey measured 125 of the largest utility companies. MLGW was the only three-service utility company among the environmental category's top performers.

Barbara Vergetis Lundin of *Smart Grid News* said that the rankings in that category were based on "the extent to which consumers believe providers are supporting environmental causes, committed to environmentally friendly energy sources, encouraging green initiatives and offering tools to help consumers save energy."

Earlier this year, MLGW's J.D. Power Score was reported as 114 points higher than in 2008, making MLGW one of the nation's most improved utility companies for customer satisfaction. Both of these survey results indicate a positive trend in customers' overall perception of MLGW.

"Customer confidence is an important measure of how well we're performing as a company," said Jerry Collins Jr., president and CEO of MLGW. "Earning and keeping that trust is one of our top priorities, and we'll continue our focus on customer service to do just that."

Learn more about MLGW's environmental initiatives by visiting http://www.mlgw.com/community/greeninitiativesreportcommunitysection



MLGW recognized for company fleet; named among 100 Best Fleets in North America

MLGW was recently announced as one of the 100 Best Fleets in North America. The utility was named 46th in the Government Green Fleet Awards for 2015, scoring higher than its previous honorable mention award in 2014.

The Government Green Fleet Award is open to all federal, state and local government fleets in North America. The rating criteria are based on hundreds of sources of green fleet planning and methodology. The evaluation standards are divided into several key categories: fleet composition; fuel and emissions; policy and planning; fleet utilization; education; executive and employee involvement; and supporting programs.

"This award shows we are committed to making our community a better place to live for everyone," said Jerry Collins Jr., president and CEO of MLGW.

MLGW owns and operates a diverse fleet of alternative fuel vehicles used by employees for service calls, field inspections and project deployments. The portfolio includes:

• Flex-fuel: More than 200 on-road light-duty vehicles which utilize unleaded gasoline or ethanol (E-85) fuel.

- Compressed Natural Gas: 36 on-road light-duty ½ ton series trucks, 56 on-road heavy-duty ¾ ton trucks and a one ton series truck.
- Hybrid: Twenty-four (Ford Prius, Ford Escape and Ford Fusion) vehicles powered by unleaded gasoline and a lithium battery.
- Plug-In Electric: Four Nissan Leaf vehicles powered 100 percent by lithium ion batteries which are charged by electricity from Level 2 EV charging stations. MLGW has five charging site locations.
- Plug-In Hybrid Electric: One Odyne on-road heavy-duty bucket truck used in electric line repair and installations.

TVA completes maintenance of mountaintop storage reservoir

Interesting time-lapse video shows refilling of 100+ billion gallons of water into reservoir

When it's full, TVA's Raccoon Mountain Reservoir is like having money in the bank. At a moment's notice, the hydropower plant has the potential to drain water away from the reservoir at the top of the mountain, down a 1,080-foot shaft, and be generating 1,600 megawatts of electricity—or enough to power 935,000 homes. Often, it is a key player in balancing system load during times of peak demand.

The reservoir was drained completely in October for routine repair and maintenance work, during which time two of the great spherical valves that act as stoppers to keep the water at the top of the mountain—or let it go—were replaced.

With work complete, the reservoir was refilled over the course of five days in late November, when the plant's powerful Voith pump turbines moved more than 107 billion gallons of water from the Tennessee River back to the top of Raccoon Mountain to ready the facility for normal operations.

Watch the time-lapse video showing the refill process, which won't be repeated again for another seven years. <u>https://tva.gov/Environment/Raccoon-Mountain-Refill</u>

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