

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

NOVEMBER 2012

MLGW Board approves 2013 budget

Highlights include temporary natural gas rate decrease, modest water rate increase

MLGW's Board of Commissioners approved the utility's \$1.8 billion operating budget for the 2013 calendar year on 10/15/2012. The Memphis City Council's MLGW Committee will discuss the budget on 11/6/2012; the full Council is scheduled to vote on 11/20/2012.

All water rates will increase by 7.1% in 2013. A temporary gas rate decrease will be applied for meters read 1/2/2013 through 4/2/2013, which will lower customers' heating costs as well as any gas-fueled process costs this winter. For customers on the G7 rate, the decrease will be \$0.045 per CCF for all consumption. Customers on the G8/G9 rate will see a \$0.045 decrease per CCF for the first 200,000 CCF of consumption, with no impact on any consumption above 200,000 units.

Despite the water rate increase, MLGW President Jerry Collins Jr. said, "MLGW's outstanding quality water will continue to be among the cheapest water supplies in the nation."

The 2013 MLGW budget also includes the following highlights:

- Proposed changes to MLGW's pension plan that would save \$2.1 million and to MLGW's medical plans that would save another \$207,000.
- A minimal wage increase of 1.25% as negotiated with the International Brotherhood of Electric Workers (IBEW) Local 1288.

Follow these tips to cut operating costs over Thanksgiving weekend

Many companies close their operations for the Thanksgiving holiday weekend, resulting in energy-saving opportunities if you take a little time to plan ahead. Others find their operating hours extended to serve celebrating crowds.

Here are some ideas to assist you in reducing energy use in the midst of autumn festivities:

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	\$0.092	na
G-7	\$0.097	na
G-8 / G-9	\$0.008	\$0.249
G-10 / G-12	\$0.038	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 10/30/2012.

Fuel Cost Adjustment (FCA)

TVA	MLGW	FCA
Rate Class	Rate Code	Amount
GSA, Part 1	E-2	\$0.02741
GSA, Part 2	E-2	\$0.02741
GSA, Part 3	E-2	\$0.02708
Residential	E-1	\$0.02770
Outdoor Lighting	E-3	\$0.02774

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 10/30/2012.



Important Contact Information

Commercial Resource Center:

Monday-Friday 7:30am-5:00pm Central

Phone: 901-528-4270
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E-mail: crc@mlgw.org
Emergency: 901-528-4465

901-544-6500

Maintenance, Trouble and Gas

Outage:

Pilot Safety: 901-820-7878

VIEW YOUR BILL ONLINE AT www.mlgw.com

Tips for facilities CLOSED for the holiday

- Encourage employees to turn off desk lamps and power down computers, monitors, speakers, printers and copiers before they leave. Controlling these plug loads can deliver sizable savings every day, but especially during extended periods when your business is closed.
- Turn off lighting in break rooms, conference rooms and restrooms.
- Adjust heating systems to minimize operation during vacant hours and make sure personal space heaters are turned off.
- Close your window blinds to slow heat loss.
- Reduce the temperature on your water heater.
- Email tips to staff as a reminder of easy steps they can take to contribute to your organization's profitability.

Tips for facilities OPEN LONGER for the holiday

- Make sure your interior and exterior lighting systems are adjusted to reflect longer operating hours, including cleaning and stocking time, but remember to cut back to minimum needs when the building is vacant.
- Heating and water heating systems need to operate during your extended hours, but usually don't require consistent temperatures overnight so adjust your systems' setback times or make changes manually.
- Retailers, restaurants and other businesses and organizations that extend their hours during the holiday season also are likely to have holiday décor. Consider turning off festive lights, fans for inflatable characters and other energy-consuming decorations when you close each night.

See a colorful PDF version of this list attached to your *Energy Edge* email notice. For more ideas, visit www.mlgw.com

HEATING UP FOR WINTER

Energy-saving tips help businesses prepare for cold temperatures

As colder weather arrives, now is the perfect time to make sure your building is operating efficiently. Our colleagues at ESource have compiled these straight-forward, low-cost heating efficiency measures that have the potential to save significant amounts of energy, leaving you with more money for your business while maintaining or improving occupant comfort.

HVAC temperature setbacks. Because HVAC systems account for a large amount of the energy consumed by businesses—space heating in particular accounts for more than 90% of natural gas use in retail buildings—adjusting temperature settings can be a source of substantial savings. In particular, it's a great idea to turn temperature settings down during unoccupied hours and on weekends during the winter. You can automate these settings with programmable thermostats or through a building automation system. You can also try implementing small temperature setbacks during working hours—a simple temperature change of 1° or 2° Fahrenheit will frequently go unnoticed by occupants.

HVAC filters. During the winter months, filters should be changed on a regular basis to make sure that the furnace fan isn't using more energy than necessary trying to push air through clogged filters. If you are located next to a highway, a construction site, or another place where the air is dirtier than usual, consider changing filters more often.

Personal heaters. Personal space heaters can consume a significant amount of energy and they can pose a fire hazard if left on overnight. Over the course of an eight-hour workday, even a modestly-sized space heater can use as much energy as a laptop does in a month. Because the cost of heating an area with a highly efficient, well-maintained HVAC system is usually much lower than relying on personal space heaters, the best approach is to

maintain the HVAC system so that it provides adequate and evenly distributed heat and then discourage employees from using space heaters if at all possible.

Radiant heaters. If you have facilities with large open spaces, consider installing gas or electric radiant heaters to reduce heating costs. These heaters primarily heat surfaces, rather than the surrounding air, and when mounted above work areas, they can keep employees comfortable even when ambient air temperature is as low as 40° to 50° Fahrenheit. The reduction in overall indoor air temperature can dramatically reduce energy consumption, sometimes by as much as 50%.

Weatherization. Gaps and cracks in the exterior shell of a building can greatly increase the amount of energy needed for heating. Look for drafty or broken windows and gaps around frames, doors and loading docks; seal them whenever possible. Most air leaks around doors and windows can be easily sealed with weather stripping that is available at any local hardware store.

Energy Manager's To-Do List:

- 1. Remember to adjust lighting and HVAC controls for the end of Daylight Saving Time, Sunday, 11/4/2012.
- 2. Email or post our list of energy-saving tips for the Thanksgiving holiday weekend as a reminder to employees.
- 3. Contact us if your organization did something special to celebrate National Energy Month in October.

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