

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

JUNE 2020

MLGW SEEKS PUBLIC INPUT

Draft plan outlines power supply options for next 20 years

MLGW has released its draft Integrated Resource Plan (IRP), which evaluates a variety of power supply options to meet the electricity needs of customers in the most reliable, cost-effective manner over the next 20 years. Customers can now access the IRP and submit comments and questions through July 6, 2020 by emailing powersupply@mlgw.org

The IRP was developed after several special interest groups funded studies that showed MLGW could save millions of dollars annually by changing power suppliers. Since none of the studies included the entire scope of utility supply, transmission and ancillary services and expenses, MLGW hired consultant Siemens Industry, Inc. to conduct a comprehensive study. The IRP includes feedback from the Power Supply Advisory Team, a group of 21 representatives from the community, business, non-profit, government and utility sectors that was created in early 2019 to gain widespread perspectives on an optimal power supply solution.

MLGW and Siemens presented the plan at two virtual public meetings, with June 4, 2020 marking the beginning of the public review period. MLGW executives also have spoken during several other virtual meetings with community and civic groups.

Following the comment period, MLGW and Siemens will finalize the IRP by early August. The report will provide the basis for a power supply recommendation to the MLGW Board of Commissioners. MLGW anticipates issuing a Request for Proposals to get firm pricing from power suppliers and renewable generation developers to refine cost assumptions in the IRP.

To learn more about the topic, which will affect every MLGW customer for the next 20 years, visit www.mlgw.com/powersupplyinfo

MLGW to resume service disconnection for non-payment on August 3

After enabling customers to delay full payment of utility bills as part of its Pandemic Plan enacted in March, MLGW has announced a plan to resume service disconnection for non-payment, effective August 3, 2020. Customers who have an outstanding balance on their account(s) are encouraged to make payment arrangements

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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

prior to August 3 to avoid service interruption. Businesses and organizations may call MLGW's Business Solutions Center at 901-544-6549 (weekdays, 8 a.m.-4:30 p.m. Central) or email MLGWbsc@mlgw.org to discuss options.

Late fees for outstanding balances, which have not been charged since early April, also will resume on August 3.

Access <u>MLGW's COVID Resource Center</u> to find assistance options for your business/organization, as well as residential assistance options for which your employees may qualify. Other business resources include: <u>Greater Memphis Chamber's COVID Business Resource Center and TVA's EnergyRight COVID Center</u>.

Electric and water rates increase in July

All customers will see rate increases for MLGW electric and water services beginning in July. Most increases will coincide with meters read on and after July 2, 2020, but for Time-of-Use customers, the change is effective for consumption on and after July 1, 2020. The rate increases were part of the MLGW's 2020 operating budget, approved by the MLGW Board of Commissioners and Memphis City Council, to help fund essential infrastructure needs and other operational improvements.

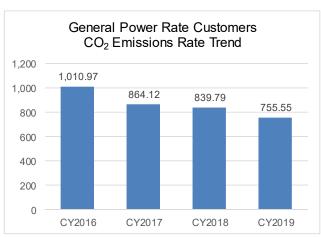
The approved budget included a 3% total increase in electric division revenue, resulting in changes in the flat monthly customer charge, cost per kWh and cost per kW (demand charges) of all electric rates. A 15% increase in annual revenue for the water division also was approved, resulting in changes to both the minimum bills and cost per CCF of water consumed for all water rates. New rates will be accessible online soon; historic rates are also posted.

Carbon emissions rates from electricity generation continue to fall

MLGW customers on the General Power rate, shown as E2 on the utility bill, have reason to celebrate: TVA's recently released carbon emissions data for calendar year 2019 shows a 10% decrease from the prior year and a

25% decrease compared to CY2016, the first year of data available at the General Power customer level. Businesses on other commercial and industrial rates receive customized carbon reports, which also show steady reductions.

Many businesses have established sustainability goals and report their operations' Scope 2 carbon emissions to investors and customers. An increasing number of buyers are requiring their suppliers to report carbon emissions data as well. Since TVA's carbon rate remains significantly lower than EPA's eGRID regional and national rates, business operations in Shelby County and the rest of the Tennessee Valley are carbon-competitive with other areas. Learn more.



EnergyRight offers incentives for UVGI projects to combat COVID-19

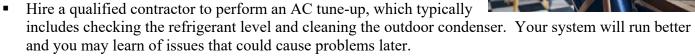
In response to the pandemic, TVA has expanded the <u>EnergyRight program</u> to include funding for the adoption of technologies that directly combat COVID-19. The first of these technologies is Ultraviolet Germicidal Irradiation (UVGI). UVGI uses UV-C light, which is a short wavelength ultraviolet light that has germicidal effects and can be used in a variety of ways for disinfection. TVA is offering standard incentives at \$30 per ton, for duct-mounted UVGI systems. TVA will look to add more of these types of technologies as they are identified and assessed. Learn more about UVGI.

Small changes can lower utility costs while working from home

Many employees are enjoying the benefits of working from home: no commute, easy parking, comfy clothing and unlimited access to the refrigerator! Now that it's Summer, remind telecommuters of ways to avoid energy waste and high utility bills while staying comfortable and productive in their remote workspaces.

Cooling

- Check your thermostat setting. Each degree below the recommended 78° setting adds 5-6% to your cooling cost. That means a cool 72° setting is adding 30-36% to your monthly cooling costs. To reduce that extra expense and ease into the transition, raise your thermostat one degree, wait a few days to get adjusted and repeat until you've reached 78°, which is the balance between comfort and savings.
- If 78° seems too hot, turn on a portal fan or ceiling fan. Fans create breezes which make you feel about 5° cooler and use much less energy than the air conditioner! Turn off the fan when leaving the room.
- If your home has multiple air conditioners, make sure the thermostats are set higher when rooms are unoccupied.
- Check the system's air filter monthly and replace when dirty. Homes with furry pets, higher percentages of duct leakage and other efficiency problems will need to change filters more frequently. Buy pleated-surface air filters, which are much more effective than the cheap, flat, spun-fiberglass filters when it comes to catching smaller particles that might otherwise clog up your system. If your system has a removable metal mesh filter instead, rinse it monthly and dry before re-inserting. Never operate the system without a filter!



• Make sure exterior doors and windows are closely tightly and lower any storm windows.

Office Equipment and Electronics

- Invest in a multi-plug power strip, then plug in your computer, monitor, printer and any other peripherals. Turn off the strip at the end of the day to cut power to all connected devices. This works much better than remembering to unplug individually all the devices that consume power in standby mode.
- Unplug chargers when your smartphone and other devices are charged. Chargers consume small amounts of power when plugged in, even if the device is fully charged.

Lighting

- Use natural light when possible, but cover east-facing windows in the morning and west-facing windows in the afternoon.
- Use overhead lights sparingly. A desk lamp will light a small area much more efficiently than a dining room chandelier or multiple kitchen pendent lights. Turn off the lights at the end of the workday.

Lastly, take the time to conduct a DIY energy audit to find more specific ways to save. Login at My Account and click Explore Usage. Click on the My Home Energy Advisor tab, then click Energy Profile. Customers who answer questions in at least one section will receive a free TVA energy kit, shown at right, including a \$10 Home Depot gift card. (Mailed in 4-6 weeks. Limit one per household. Past participants not eligible.) You also can create an Energy Plan and update it as you make changes in your home and habits. My Account's Explore Usage features are available 24/7 for your convenience.



APGA recognizes MLGW for operational excellence

In May, the American Public Gas Association (APGA) presented MLGW with the prestigious APGA System Operational Achievement Recognition (SOAR) for excellence in operating its natural gas utility. Public natural gas systems are entrusted by their customers to deliver clean and affordable natural gas through a safe and reliable distribution pipeline system.

Out of approximately 750 APGA members, MLGW was selected for a Bronze SOAR award by its peers on the APGA Operations and Safety Committee. The selection was based on demonstrated excellence in the areas of system integrity, system improvement, employee safety and workforce development.

System integrity refers to the natural gas distribution system performing its overall intended function safely, efficiently and effectively—distributing energy to all customers without being degraded or impaired by its internal or external environment. System improvement refers to keeping the natural gas system well maintained and up-to-date through a self-improvement program that includes both an eye on the future through research and development, technology integration and a commitment to system improvement programs. Systems that exhibit excellence in employee safety include adopting a safety program with policies and procedures for education involvement and accountability for all employees, as well as tracking safety performance. Lastly, workforce development focuses on creative



recruitment, training, education and development practices that provide a return on investment through increased employee loyalty, motivation, safety and productivity.

APGA President and CEO Dave Schryver remarked, "MLGW was highly rated in all four areas that are required of SOAR. MLGW consistently demonstrates a commitment to providing natural gas safely and efficiently to all those in their community and as such, serves as a model for all other natural gas utilities in the country. APGA is proud to recognize MLGW and is confident in their continued success."

COVID Community Care Grants awarded by MLGW and TVA

MLGW's Board of Commissioners convened for a special-called meeting on May 14, 2020 to approve \$200,000 in grants for a COVID Community Care Fund created by TVA.

MLGW selected the following Memphis-area 501(c) (3) organizations engaged in meeting community needs resulting from the pandemic to receive grants:

Plus-1 (MIFA): \$75,000

Mid-South Food Bank: \$75,000

United Way of the Mid-South: \$25,000

Mid-South COVID-19 Regional Fund: \$25,000

All MLGW funds will be matched by TVA for a combined \$400,000 impact in our community.

Energy Edge is published by the Chief Customer Office of Memphis Light, Gas and Water Division. Comments and distribution list changes may be e-mailed to: mlgwbsc@mlgw.org