



Energy Edge

A NEWSLETTER FOR MEMPHIS LIGHT, GAS AND WATER DIVISION KEY ACCOUNT CUSTOMERS
FEBRUARY 2014

Scammers continue to target local businesses with lies, fraud regarding utility service disconnection

On 2/1/2014, another area business was targeted by scammers seeking to steal funds through false claims of pending MLGW cutoffs unless immediate payment was made via reloadable credit card purchases.

This time, a chain restaurant in Collierville was targeted—and quickly suspected the urgent weekend-only nature of the claims. The customer spoke with several “employees,” including a “supervisor,” during the ordeal and noted poor phone connections, a non-descript voicemail that included MLGW’s name and several rounds of calls in an attempt to collect more than \$1,000 that was allegedly “past due.” Recent attempts commonly include instructing the targeted customer to buy reloadable credit cards, then give the cards’ codes by phone to the scammers—thereby enabling them to steal funds immediately.

MLGW urges customers to be wary of unsolicited phone calls claiming to be from MLGW. Since scammers are using increasingly sophisticated methods, please ensure your employees—particularly night and weekend staff—are on the alert for these high-pressure fraud tactics.

Some facts to share:

- MLGW uses the following methods to alert commercial and industrial customers to pending service disconnection: mailed cut-off notices, automated phone calls, text alerts (if enrolled) and, sometimes, an MLGW employee may call the business phone number associated with the account as a courtesy—but MLGW never directs customers to make payments through a specific method.
- The only pay-by-phone method offered by MLGW is for inbound customer calls. Customers wishing to use this service must call 1-866-315-0277; MLGW does not call soliciting phone payments.
- Commercial and industrial customers cannot pay MLGW bills by credit card.
- Customers can check their account status—including any past due amount—by logging into My Account at www.mlgw.com (You may wish to have a few key employees familiar with your My Account login so they

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	\$0.213	na
G-7	\$0.212	na
G-8 / G-9	\$0.158	\$0.407
G-10 / G-12	\$0.176	na

Monthly adjustment in \$/Ccf to published natural gas rates for meters read on or after 1/31/2014.

Fuel Cost Adjustment (FCA)

TVA Rate Class	MLGW Rate Code	FCA Amount
GSA, Part 1	E-2	\$0.02300
GSA, Part 2	E-2	\$0.02300
GSA, Part 3	E-2	\$0.02272
Residential	E-1	\$0.02324
Outdoor Lighting	E-3	\$0.02301

Monthly adjustment in \$/kWh to all firm kWh, beginning with meters read on or after 1/31/2014.



Important Contact Information

Commercial Resource Center:

Monday-Friday

7:30am-5:00pm Central

Phone: 901-528-4270

Fax: 901-528-4547

E-mail: crc@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

can quickly recognize false claims and cease communications.)

- MLGW's Commercial Resource Center is open Monday through Friday, 7:30am-5:00pm. It is closed on weekends.
- MLGW does not disconnect services for non-payment on weekends.
- MLGW does not use a third-party to disconnect services.

If you suspect your business or organization has been targeted by scammers, gather as many details as possible and share them with law enforcement. You also are encouraged to send details to MLGW, so we can keep customers aware of fraudulent activities.

January power demand sets new TVA winter record

The Tennessee Valley Authority met a record-breaking winter demand for electricity during the morning of 1/24/2014, with an estimated 33,345-megawatt (MW) peak when the average temperature across the region hovered at 7 degrees. This was TVA's highest demand for electricity since 8/16/2007 (33,482 MW) and third-highest in TVA history. The previous winter record was 32,572 MW set on 1/16/2009, when regional temperatures averaged 9 degrees.

Meeting the record demand required the combined efforts of TVA's employees and generating facilities, coordination with the Valley's 155 local power companies and direct-served large industrial customers, and the cooperation of businesses, organizations and households to conserve and reduce demand. (See related article, below, on the impact of energy efficiency and demand response programs in controlling TVA's peak.)

Relying on its diversified electric generating sources, TVA received 29% of its power from coal-fired plants, 21% from nuclear plants, 24% from natural gas plants, 12% from hydroelectric dams, 2% from wind farms and 12% from power market purchases.

"Meeting back-to-back peak loads and ensuring uninterrupted power under extreme conditions takes a network of experienced, well-trained people and a community willing to turn down their thermostat a few degrees," noted Tim Ponseti, vice president of TVA Transmission Operations and Power Supply.

"When it's below 20 degrees, each time the temperature drops one degree another 400 megawatts of electricity is needed. That's almost as much as one of our larger hydroelectric dams," Ponseti noted.

"Setting your thermostat two to three degrees below normal can really help TVA manage high power demand during challenging times."

Program participation yields big savings during record cold

As a federal power generator, TVA supplies electricity to 155 local distributors, including MLGW, as well as numerous large direct-served industrial customers. When power generation facilities cannot meet the system demand, TVA purchases electricity from other suppliers—and also utilizes its energy efficiency and demand response programs to reduce overall demand.

That was the case during the polar vortex event that swept across the TVA power system in early January. As a result of the programs, TVA reduced its power purchases by 30 million kilowatt-hours (kWh) across the four-day period, saving millions of dollars in avoided purchased power costs.

The programs proved their worth. For example, on 1/7/2014 at 7:00am CST, demand on TVA's power system reached 32,490 megawatts (MW). A demand reduction of 648 MW, or 2%, was achieved through the demand

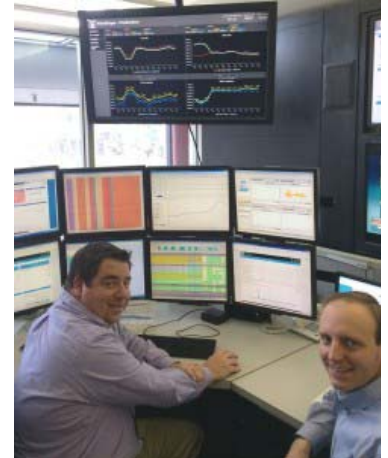
response and energy efficiency resources—saving about \$1.5 million. These savings flow directly to customers in the form of lower Fuel Cost Adjustment charges on utility bills.

“None of these achievements are possible without the close partnership of our lower power companies and their customers who voluntarily participate in these programs that help the entire TVA power system,” said Cindy Herron, director for TVA’s Energy Right Solutions organization.

More than 50% of the peak demand reduction came from energy efficiency programs that promote installation of targeted technologies and provide demand and energy savings that are coincident with TVA’s winter peak.

About 40% of the peak demand savings resulted from programs made possible in part due to a new internal TVA notification system called the Demand Response Management Portal, more commonly referred to as the “DR Desk.” This system provides a virtual window to TVA power traders and balancing authorities, giving near real-time visibility of demand response product availability prior to, during and after an event. This was the first system-wide call of demand response products for reliability with the current portfolio using the new system. As a result, programs such as TVA/EnerNOC Demand Response were activated several times in January, helping stabilize the power grid while also earning participants incentives based on their load reduction performance.

“During this period, we were facing average purchase power prices greater than \$150 per megawatt-hour,” said Dianne Hensley, director of Power Trading. “Having the ability to compare power purchase options with demand response products gives us the ability to make quick decisions that save money and support the reliability of the system.”



TVA employees review load reduction availability through demand response products using the Demand Response Management Portal from TVA’s Power Trading Floor in Chattanooga.

TVA suspends Energy Right Solutions for Business/Industry program to redesign following record application period

Ever heard the expression “too much of a good thing”? That’s what TVA and its participating local power companies, including MLGW, faced when customer applications for the program far exceeded available budget, resulting in a multi-step process to temporarily suspend Energy Right Solutions for Business/Industry.

Representatives from MLGW and several TVA power distributors are working with TVA on modifications to ensure long-term viability of this popular program, which provided \$2.65 million in incentives to Shelby County businesses and organizations making energy efficiency improvements in 2013. Watch for updates in the next few months.

MLGW Whitehaven Office closes temporarily for remodeling

MLGW’s Whitehaven Community Office, located at 1111 East Shelby Drive, closed for remodeling on 1/6/2014. The project is expected to last for 45 days. Customers can visit other MLGW Community offices at 245 South Main Street, 2424 Summer Avenue or 5131 Navy Road. MLGW’s Commercial Resource Center can provide assistance for many needs via phone, 901-528-4270, and email, CRC@mlgw.org