



YOUR UTILITY RATE SPECIALISTS

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POWER NOTES - DOMINION RESOURCES EDITION

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VA SB 1349 Could Harm VA Power Customers

VA SB 1349 would prevent the VA State Corporation Commission from ordering reductions in Dominion Virginia Power’s base rates until 2020. The bill would not prevent Dominion Virginia Power from being able to request rate increases for fuel costs, purchased power costs, rate adjustment clauses and emergency temporary rate increases.

This bill was introduced on January 19, 2015 by Sen. Frank W. Wagner (R-Virginia Beach). Mr. Wagner has said that Dominion Resources officials drafted the legislation. Mr. Wagner is the recipient of \$36,000 in campaign contributions from Dominion Resources and is a Dominion Resources shareholder.

In just 24 days, the bill passed both the VA Senate and the House. According to the Richmond Times Dispatch, the company has made \$1.6 million in political contributions through its PAC to statewide and legislative candidates since the start of 2013.

Governor McAuliffe has until Tuesday, February 24th to sign the bill into law. We encourage you to contact Governor McAuliffe (<https://governor.virginia.gov/constituent-services/communicating-with-the-governors-office>) and ask that he not sign this legislation.

Traditionally, the SCC reviews Dominion’s rates every two years and sets an allowable rate of return based on market conditions. If Dominion is earning more than the allowable rate, the SCC can order refunds and reductions in future rates. This legislation would strip the SCC of that power.

In 2009, Dominion acknowledged it earned more than necessary and made a settlement payment of \$726 million to avoid a rate decrease. In 2011, Dominion returned \$78.3 million to customers after regulators found the utility made more than the authorized profit. In 2013, the SCC found that Dominion’s rates would provide \$280 million in surplus annual revenue.

According to the Washington Post, “environmentalists and state Attorney General Mark R. Herring (D) – said the bill is nothing but a ploy to shield Dominion from having its profits closely examined after a report that it may have a \$280 million surplus.”

Two Hour Outage Can Increase Bills for 12 Months

After an outage, thermostatically controlled equipment (heating, air conditioning, refrigerators, freezers, water heaters, etc.) will all run to return the temperatures to the desired settings. During the time it takes to recover, your business can establish a high peak demand. That demand can increase your bills for the following 12 months.

Avoid establishing high peak demands after outages by turning off a few pieces of equipment and not turning them back on until the other pieces have returned temperatures to desired settings.



UPGRADING EXIT SIGNS TO LED

Upgrading exit signs to LED (Light Emitting Diode) is a low-cost investment that pays for itself in less than a year. Exit signs have the unique characteristic of running at the same load 24 hours per day, 365 days per year. Therefore, upgrades in efficiency quickly pay for themselves.

If you haven't upgraded, we encourage you to walk your facility. You may be surprised to learn how many of these devices you have. The next time you talk to your electrician, ask about getting your exit signs replaced with LED. The installed cost (parts and labor) is often less than \$50 per sign.

“Exit signs are an excellent, low-cost, low-labor opportunity to increase the energy efficiency and safety of your facility.”

The U.S. Small Business Administration

“Savings of \$50 per fixture can be achieved annually with every LED exit sign installed with a one year return on investment!”

East Carolina University – Center for Sustainable Tourism

Type	Watts	Bulb Life	Bulb+Labor Cost/Year	Energy Costs/Year	Annual Operating Cost
Incandescent	40	6 months	\$26	\$39	\$65
LED	2	10+ years	\$0	\$2	\$2
Annual Operating Savings					\$63

The data in the table above are typical for LED exit signs and incandescent exit signs. Note that with a \$50 upgrade for parts and labor, your investment is returned in less than one year.

CUSTOMER SATISFACTION SURVEY

Thank you for participating in the UMS Annual Customer Satisfaction Survey. The response rate was very high and the feedback was greatly appreciated. We will use your feedback to continue to improve the service that we provide to you.

Congratulations to each of the following iPad Air winners, whose names were drawn from the responses received:

- Jeff Hood, Neomonde Baking Company, Morrisville, NC
- John Profflet, Citizens Trust Associates, Norfolk, VA

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