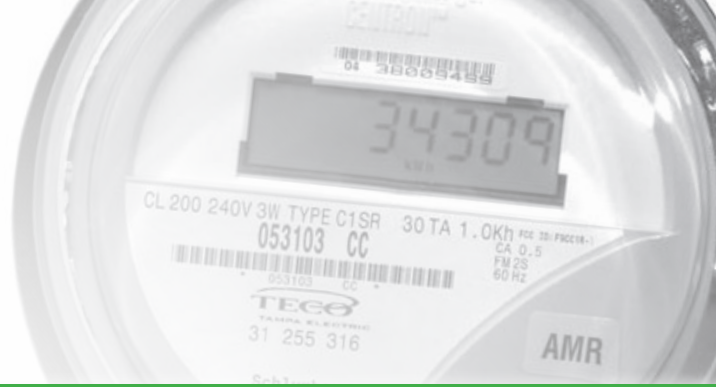




YOUR UTILITY RATE SPECIALISTS

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POWER NOTES - APPALACHIAN POWER EDITION

Appalachian Power Seeks \$114.6 Million Rate Increase

Appalachian Power has filed for a rate increase of \$114.6 million for their customers in West Virginia. It will likely be late this year or early 2019 before any allowed increases take effect, as the increase was requested in May.

According to Appalachian Power’s website, “Approximately half of the requested increase is due to a significant decline in the amount of electricity used by customers.”

If they increase rates and this results in customers using less electricity, will they ask for another increase next year to make up for the loss in sales? That’s a cycle that could be repeated indefinitely.

Save Energy & Money at Your Business

Appalachian Power offers a variety of rebate programs to help offset the cost of implementing energy efficiency measures. These measures include:

- Upgrading lighting to T5 or LED
- Installing occupancy sensors
- Installing pulse start metal halide lighting
- Compact Fluorescent Lights (CFL)
- HVAC variable frequency drives

The rebates are up to 30% of the project cost and are capped at \$50,000 per customer per year.

Save Energy & Money at Your Home

If you buy electricity for your residence from Appalachian Power, you have two rates to choose from:

Schedule RS - Residential Service:

This is the standard default rate under which the vast majority of customers are presently served.

Schedule RS-TOD - Residential Service Time of Day:

We estimate that 200,000 residential customers can save on this rate without changing their usage; this is almost 50% of all customers.

This rate charges a discounted amount for energy used during the weekends and at night, and a higher amount for energy used during the weekdays at a certain time. It’s an attractive option for larger customers (spending more than \$125/month) and for customers willing to run their appliances (dishwasher, washer and dryer) primarily during off-peak hours.

A comparison of the two rates:

RATE	Basic Customer Charge	Energy Charge*
RS	\$8.35/month	\$0.069050/KWH
RS-TOD	\$10.30/month	\$0.13758/KWH Mon-Fri, 7:00AM – 8:00PM \$0.02369/KWH all other hours & weekends

SPRING 2018 ISSUE - POWER NOTES

Less Usage Leads to Rate Increase Request.....	Page 1
Save Money at Work & Home.....	Page 1
20 Years! THANK YOU.....	Page 2
WANT AN APPLE IPAD?.....	Page 2
UMS Contact Information.....	Page 2

Support Renewable Energy

Optional Rider RPR - Renewable Power Rider: Residential customers who wish to support the development of electricity generated by renewable energy resources may agree to purchase each month a specific number of fixed blocks of 100 kWh or may purchase an amount equivalent to the customer’s entire monthly energy (kWh) consumption. Essentially: pay to support renewable energy.

Conserve Energy

Appalachian offers multiple programs and services that can help reduce your energy consumption, peak demand and electric bills.

Appliance Recycling: They will buy your old (working) refrigerator or freezer for \$50. You save \$100+/year by no longer using the old appliance.

Home Performance Program: Have a Home Performance Assessment completed to receive a report showing the projected energy and cost savings you could earn by implementing conservation options.

Efficient Products Program: Get instant in-store discounts or rebates when you buy ENERGY STAR® certified LED bulbs at Home Depot, Lowe’s, Walmart, and Sam’s Club.

Residential Peak Reduction Program: Appalachian will pay you \$40/year in this program; they will install equipment allowing them to turn your air conditioning compressor off during some hot summer weekday afternoons.

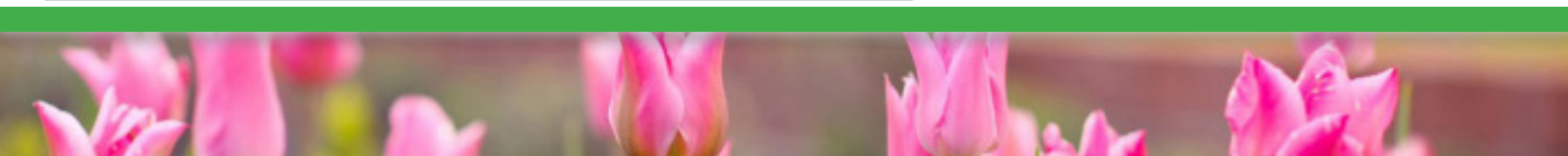
Online Energy Checkup: Get a free online assessment of your energy consumption. Appalachian will send you a free pack of LED bulbs for your participation.

Learn more about all options by going to their website:

www.appalachianpower.com



**both rates also include riders & surcharges*



On February 24, 2018, UMS celebrated 20 years of saving money for our clients through utility bill audits. We have grown from a one-person home office in 1998 to a 4,500 square foot, corporate office building with 17 full time employees and an independent sales force of 25 people located throughout six states.



A few metrics:

8,500+	Number of Clients Served
300,000+	Number of Electric Accounts Audited
\$22,000,000+	Ongoing Annual Savings Generated
\$150,000,000+	20 Year Cumulative Savings Generated

In celebration of achieving the 20 year milestone, we closed the UMS Corporate Office for 4 days. All employees, Account Managers, as well as their spouses/guests were invited to Savannah, GA for a combination of work and play. In addition to training sessions, the group toured the SCE&G natural gas-fired Jasper Generating Station near Savannah, enjoyed a tour of the historic city aboard a trolley and celebrated together during an Awards Banquet.



Thank you for giving us the chance to help reduce your utility bills.

We greatly appreciate your business and your trust.

We will continue to work hard to ensure that your bills are as low as possible for the energy you are consuming.

Without you, UMS would not exist!

Nuclear Power Industry Update

The nuclear power industry in the United States continues to deteriorate. A few noteworthy points are below.

- **Westinghouse Bankruptcy:** Westinghouse was the primary remaining contractor for building and maintaining nuclear power plants in the U.S. They filed for bankruptcy in March of 2017.
- **VC Summer Nuclear Plant Cancellation:** South Carolina Electric & Gas was building two new nuclear power units in South Carolina. Westinghouse was the prime contractor. After more than \$9 billion was spent toward construction, the plants have been abandoned as a total loss.
- **Plant Vogtle:** Georgia Power was also using Westinghouse to build two new nuclear generating units at their existing Vogtle location. GA Power decided to try to build the plants on their own after Westinghouse filed for bankruptcy. The units are billions of dollars over budget and years behind schedule.
- **First Energy Nuclear Plant Closures:** First Energy has announced it is closing three existing nuclear power plants in Pennsylvania and Ohio.
- **Three Mile Island Plant Closure:** One of the two nuclear units at the Three Mile Island plant had a catastrophic failure in 1979. Exelon, the owner of the plant, announced that they will close the remaining unit in 2019 even though it has a license to continue operations until 2034.
- **Diablo Canyon Plant Closures:** Pacific Gas & Electric has announced that they will be closing both of their nuclear generating units at Diablo Canyon in 2024 and 2025.

Why Are Nuclear Plants Closing?

There are several key reasons for the closing and cancellation of nuclear generating units across the United States:

- Energy conservation through LED lighting and other means has decreased the demand placed on power providers.
- Renewable energy production from solar and wind power has become more prevalent.
- Abundant, cost-effective energy is now available from natural gas due to fracking operations.
- There are significant cost overruns and schedule delays involved in the building of nuclear power plants.

WANT 2 WIN? REFER US TO A FRIEND!

Email the following items to LQuick@UtilManagement.com

Name of Referral/Contact

Company/Business Name

Referral/Contact Phone & Email

Your Name & Phone

*If you think our services would be beneficial, feel free to include more than one referral. Each one provided will be an **additional entry** for you!*



Our winner for last quarter's Apple Watch drawing was Russ S. with Calico Coatings, Inc! Thanks to all who entered and best of luck this quarter!

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