SEDAC NEWS

SEDAC SERVICES AND USDA GRANT PROGRAM – A WINNING COMBINATION

Recently, two clients of the Smart Energy Design Assistance Center submitted applications for USDA Rural Development Renewable Energy grants and one of these clients, Cheryl and Todd Terrell, was successful. Todd and Cheryl were awarded $256,000 to be applied to costs of the geothermal energy system which will provide heating, cooling, and refrigeration at their new grocery store in Woodhull.

“The key to Cheryl and Todd’s success in this process was their persistence”, said Ben Sliwinski, SEDAC Technical Director. “They really went the extra mile to ensure they submitted a strong application.”

Two aspects of the Terrells’ successful experience may be useful to other Illinois small businesses interested in SEDAC services and the Rural Development grant program.

First, the Terrells had previously participated in the SEDAC program and had received an Energy Evaluation and Recommendations report for their proposed grocery store. Under current Rural Development guidelines, the SEDAC report can be valued as $10,000 of in-kind services in the grant application. The report provided an analysis of the feasibility of a variety of energy cost reduction measures (including a geothermal HVAC system) for Terrells’ store. The report also served as the technical foundation for the Terrells’ Rural Development grant application.

Second, as everyone knows, a foundation is not a house, and the process of purchasing, installing and financing new technology can be intimidating. To help them with part of the process, the Terrells contracted with Amy Trimble of Trimble Consultants, Inc., to help them prepare their Rural Development grant application. With her help, they assembled the necessary information and submitted a well prepared application. SEDAC worked closely with Amy as she produced the successful application.

Certainly, not all businesses seeking to apply for a Rural Development grant need to start with a SEDAC analysis, but the information which SEDAC provides, plus the determination shown by clients like the Terrells, can be a winning combination.

For more information about USDA Rural Development Programs, contact Patrick Lydic at 217-403-6211 or visit www.rurdev.usda.gov/rbs/farmbill/apply.html

SEDAC’S ENERGY PROJECT ECONOMICS CALCULATOR IS NOW LIVE

Perhaps you have been planning to make your business more energy efficient but have balked at the initial cost of energy efficiency improvements. Now you can go to www.sedac.org/html/links.html to see exactly what those costs will mean to your bottom line by using SEDAC’s calculator to find your Internal Rate of Return. The tool will review economic indicators such as Net Present Value (NPV) and Internal Rate of Return (IRR) and help you decide if tomorrow’s savings is worth today’s investment. Examination of monthly loan payments and cash flows can establish the practical viability of an investment option.

Online Classes are available through SEDAC and the Office of Continuing Education at the University of Illinois at Urbana-Champaign:
1. The Architecture of Sustainability is presented in 10 modules which can be taken individually or packaged together. Module 1 is 3 AIA LUs/CEUs for $75. Modules 2 - 10 are each 1 AIA LU/CEU for $50. All 10 modules are $450.
2. Energy Basics for Small Business Module 1 will be available online soon. Registration is continuous at www.continuinged.uiuc.edu

Click on Green Design

NEED HELP FINDING A SERVICE PROVIDER?
Go to www.sedac.org
Point to SEDAC INFORMATION then click Service Providers
EDUCATION

Course registration information: http://brc.arch.uiuc.edu/aiaces/home.htm

November 15 in Oak Brook, IL
This course will provide guidance and techniques for reducing energy usage in commercial buildings (both new designs and retrofits). Integrated design, modeling, and methods will be covered. Code implications will also be discussed.
(3 AIA LUs/CEUs, $40)

Energy Efficiency Tax Benefits of EPAct 2005
November 15 in Oak Brook, IL
This course will provide guidance and methods on the tax benefits available for commercial buildings and the quantification and certification of energy savings for commercial buildings to meet the requirements for tax credits and deductions under the Energy Policy Act of 2005.
(2 AIA LUs/CEUs, $30)

Building Life-Cycle Cost Estimation
October 26 in Chicago Loop
This one-day seminar teaches the principles and techniques used in building life-cycle cost (LCC) estimation. Through case studies, group exercises & discussion, interactive software, question & answer periods, hands-on activities, and problem-solving exercises, you will learn about various cost concepts.
(7 AIA HSW LUs/CEUs, $225)

Basics of Architectural Lighting
October 27 in Chicago Loop
This one-day seminar focuses on teaching architects the basic techniques and principles for successfully executing an architectural lighting design project. By the end of the course, you will have a better knowledge of both the quantitative and qualitative aspects of light and lighting.
(7 AIA HSW LUs/CEUs, $225)

EVENTS

The public is invited to learn about energy efficiency programs and resources at the Dept. of Commerce and Economic Opportunity Peer Exchange on Nov. 14-15 at Starved Rock State Park. For further information contact: Bruce Selway, 217-785-2023

SEDAC NEWS

Does the Project Make Economic Sense?
Projects are usually considered attractive if the internal rate of return (IRR), or annual yield, is greater than the investors’ time value of money (their discount rate) and the net present value (NPV) at the desired rate of return is greater than zero, indicating that the project more than pays for itself.

The discount rate is often set at what an investor could expect to make on an alternate investment. This calculator assumes a uniform series of monthly cash flows and no escalation of fuel costs above inflation.

ILLINOIS ELECTRICAL ENERGY AUCTION UPDATE
The auction began September 5 and concluded September 8. More than 20 suppliers registered to bid and bidders submitted bids via the internet. NERA Economic Consulting, the auction manager, declared a successful result for the fixed price section on September 15, 2006.

New electric rates for all utility customers will apply to electricity usage beginning January 2, 2007. The new rates will be the first rate increase since before the 1997 restructuring of electric service. In 1998 electricity prices were reduced by 15 percent for residential customers of ComEd and Illinois Power, with an additional 5 percent reduction during 2001 for ComEd customers, and 2002 for Illinois Power customers. Other utilities reduced residential rates by lower percentages and rates remained frozen through the end of 2006. The Associated Press has reported that the results of Illinois’ first public energy auction mean ComEd residential customers will see an average of 22 percent, or about $13 per month. Ameren Corp. customers will see monthly electricity bills climb by 40 to 55 percent, or about $26 to $33. Business customers’ rates can be estimated at both ComEd’s and Ameren’s websites.

The total cost for utility customers buying power from their utility will be the sum of electricity costs plus a delivery service charge. The ICC is currently considering proposals for delivery service rate increases for ComEd and the Ameren companies. Delivery service rates amount to approximately 20 to 30 percent of a customer’s electric bill.

Also pending before the ICC are proposals from ComEd and the Ameren companies to allow new rates to be phased in over several years with interest. Final decisions in those cases are expected later in the fall. There remains uncertainty as critics and supporters of the auction are waiting for a decision from a state appeals court that could invalidate the process. Illinois’ attorney general says that the auction is a violation of state law because the companies don’t have competitors vying for customers. Regardless of the outcome of legal and political maneuvers, Illinois businesses can expect an increase in their energy bills in 2007. In light of these increases, SEDAC can help businesses identify and evaluate cost effective energy efficiency measures.

WINTERIZING TIPS
Find out how you can beat the cold and rising energy prices by making your business more energy efficient at the following SEDAC recommended sites: www.energysavers.gov, www.energystar.gov, www.keeppwarm.illinois.gov
Do-it-yourself Business Energy Audit at www.energyguide.com
For residential: http://hes.lbl.gov

To participate in the SB$E program, please contact us at: (800) 214-7954 or info@SEDAC.org
Smart Energy Design Assistance Center, 1 East St. Mary’s Road, Champaign, IL 61820