

November 2012

Newsletter Archives

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Daylighting Article

The Energy Center of Wisconsin published an article written by Eric Truelove in their day-lighting newsletter. His article describes real world examples of where day-lighting has worked and why. Click the link below to view the article.

[Enlighten](#)

"We've gotten a lot of positive feedback from your article. Readers enjoyed the greater technical depth and real-world experience especially." - Scott Schuetter, Energy Center of Wisconsin

Project Spotlight

The Renschler Company provided construction services for the new West side Erik's Bike Shop. This retail project consisted of a 10,500 SF PEMB with special structural steel detailing at the entrance & showroom areas. The building design by Zingg Design also features a massive curtain wall glass area on the North, East, and West sides of the building to showcase the owner's merchandise from Madison's West/East Beltline Highway.

CREATE YOUR OWN ECONOMY

A Publication of The Renschler Company

Need a Second Income?

By Eric T. Truelove, P.E., GGA, LEED AP BD+C

When the environmental movement began in 1970, a cleaner environment seemed to come at a cost to business. More environmental regulations forced business to buy new technologies and add expensive steps to their processes. Then, along came the Arab Oil Embargos with the resulting higher energy costs. Energy-saving upgrades reduced environmental pollution and saved money. The term "payback" was used to estimate how long it would take for a business to recoup the added upfront investment in energy-saving upgrades. In many cases, businesses opted to forgo these upgrades and take the short term view: reducing costs today even if that meant runaway costs in later years. Green buildings have changed all that.

Positive cash flow in the first year

Consider the Wisconsin Electrical Employees Benefit Fund (WEEBF) office building, designed by Josh Johnson and built by The Renschler Company in Madison, Wisconsin in 2005. During its first year of being occupied, this building had an energy use \$3,302 less than similar Energy Star® buildings in the Madison area. The additional loan payment for the energy-saving features was just \$1,384 in the same year. **The net result was a positive cash flow to the owner of \$1,918 in the very first year of occupancy (\$1,918 = \$3,302 - \$1,384).**





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WEEBF Office Building

This 12,000 square-foot office building uses 37% less energy than a conventional building, generated 50% less landfill waste, and only cost 3% more to build. This building is LEED®-certified, Green Globes® certified, and received an Energy Star® award for exceptional energy efficiency. Furthermore, this energy savings did not come at a sacrifice to comfort. According to the building owner/occupant:

"I just wanted to send a note of appreciation for a job well done. Our building was brought in and ready for occupancy ahead of time and under budget...Our Board of Trustees are very happy with the completed project and are particularly pleased with the air quality, the lighting and the acoustics of the board room...All of the fund employees are very happy with their office space and especially like the heating, ventilating, and cooling system...I definitely would recommend your professionalism and expertise to anyone that is proposing to build a building..." - Peter Risberg

Positive cash flow continues to grow

Five years after WEEBF was constructed, we again evaluated the building utility bills and compared the energy performance to one that meets minimum Energy Star® standards. In its fifth year of occupancy, WEEBF had an energy use \$4,575 less than similar Energy Star® buildings in the Madison area. However, the additional loan payment for the energy-saving features was still just \$1,384 a year. **The net result was an annual positive cash flow to the owner of \$3,191 (\$4,575 - \$1,384). This is a 66% increase over the positive cash flow in the first year!** For the past five years, this building has consistently used less energy than 88% of similar buildings in the area.

A high-performance green building doesn't deliver a payback, it delivers immediate savings to the owner. The upgrades are paid for in the same manner the building is: Money borrowed from a lender at commercial rates and terms. However, these upgrades, unlike the rest of the building, pay for themselves and more since their repayment comes directly from the energy they save.

The Renschler Company's Director of Sustainable Design, Eric Truelove, recently gave a presentation at IFMA World Workplace 2012 in which he explains the positive cash flow concept and how it can work for you. You can download his paper and presentation by clicking [here](#). For additional information contact Eric Truelove at 608-827-1169 or erict@renschler.com.

Thank you for taking time to review the preceding food for thought. If this is the first newsletter that you have received, please note that there are links in the left corner that will take you to previous newsletters. Next we will be providing similar information for a different building type. This will illustrate that high performance can pay immediate returns for many building types. Please let us know if you find this information valuable as well as if there are green or building topics that you would like us to explore in future newsletters. We appreciate your time and know how valuable it is.

Sincerely,



Bernie Lange

Bernie Lange, President



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