



Rochelle Municipal Utilities
RMU Business

To: David Plyman

DRAFT

From: Dan Westin

Date: March 4th, 2014

RE: Letter of commitment confirming the Rochelle Municipal Utilities' intention to proceed with the 230 kW project if awarded an ICECF Foundation grant

RMU has applied for a \$ 460,000 grant from ICECF (a non state funding agency) and has passed the first (out of two) approval phase(s). ICECF provides grants for up to \$2/watt or 60% of the system and its installation costs, whichever is less.

The plant will have paid for itself in nine years using conservative replacement cost parameters for energy. The plant life expectancy is twenty years so eleven years would produce essentially free energy.

See enclosed.

This is partly due to the Renewable Energy Credits that Rochelle will sell in the Pennsylvania market..

In addition the plant will contribute to capacity savings in electrical demand which makes this plant more than self-funding.

I recommend Council approve of a letter of commitment be sent with the 2nd phase application to ICECF.