

Universal Energy News

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Growth in The Near Future?

By BOB MCILVAIN

While the nation is still generally recognized to be in a recession, UEI is dedicated to continued business development to help ensure stability and growth, which will translate to continued projects and opportunities for all the good people on our team. Here are a few facts about industry prospects, and how it might impact our business.

A study of recent recessions shows energy demands escalate as the economy improves. Data from the last three recessions (1981, 1991 and 2001) show energy demand growing 8.5% on average over the five years following a recession's end ¹.

Although some sectors of the economy are not projecting improved business activity, the Power industry is still anticipating continued growth. For example, in April of 2009, the Construction Industry Confidence Index shows that only 28% of the overall construction industry expected the market to improve over the next 12-18 months¹. The reality? It seems the low expectations were proven correct: at the end of the 3Qtr 2009, the overall construction revenues declined 12.6% from the previous year.

However, extracting data specifically related to the Power industry, 63% of the industry projected an improvement over this same period¹. So how did that turn out? Once again, projections appear to have come true: 3Qtr 2009 revenues for the Power industry increased 11.8% over the previous year². If this can occur in the midst of a general recession, prospects likely remain good for the Power Industry in the near future.

Does new money available from the American Recovery and Reinvestment Act play a significant role in the expectation of an improved business environment? Although Capital Grants and Investment Tax Credits, as well as Production Tax Credits, are available, it appears that the anticipated Power industry growth is assumed to be mostly organic rather than subsidized. Of the CICI respondents surveyed, only 3% strongly agreed that the stimulus package was having a positive impact. Continued growth without reliance on subsidies is good news.

¹Power Engineering Magazine, August 2009

²ENR Magazine, December 21, 2009



UEI Headquarters
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Project Updates

News about selected UEI Projects, services and people.

Orange County Combined Heat & Power

By Mark Borino

In June of 2009, UEI mobilized on the Orange County, California Central Utility Facility (CUF) Cogeneration Expansion project, to assume the role of Commissioning Manager, as part of the Architectural Engineer's project team. In addition to Startup oversight, Turnover Documentation control, and Plant Performance and Emissions Testing, UEI was also responsible for the development and conducting the Balance of Plant Operator Training, and also the development of the project O&M Manuals. UEI Startup Manager, Mark Borino, fulfilled the role as Startup Manager, and Tom Graves was responsible for all procedures and training.

The Combined Heat and Power project for Orange County included the installation of two 5MW gas turbines with HRSG's, interconnected with the existing CUF fired boiler and steam distribution. This project also added the power generation capability to the CUF, for peak shaving their electrical demand from the utility. Multiple subcontractors were involved in the project, requiring a substantial coordination effort, especially in conducting the final plant testing.

The project is complete and has been operational since December of 2009. The new CHP facility provides steam and electricity to the County campus, including the courthouse, jail complex, civic center, library, sheriff's offices, forensic science lab, and other buildings within the county campus.

UEI has some final documentation requirements to complete our efforts, which will close out in 1Qtr of 2010. UEI has completed, or is currently involved in, several CHP installations at different commercial and institutional facilities.

Did You Know?

Can you guess what UEI startup engineer worked both of these projects?

Marmara Ereglisi 480MW Combined Cycle Plant in Turkey (1996), the first full-scope startup for Universal Energy, Inc. and Fairbault Energy Park, 270MW Combined Cycle Expansion in Minnesota (2006), the first full-scope startup for UEI LLC

First correct answer submitted to info@ueillc.com will win a wonderful UEI prize!