

Now Is the Time to Invest in Geothermal

Energy prices may be low right now, but we all know it is the calm before the next energy storm. All indications are that the next storm will be worse than the last. But there is good news! The federal government is providing tax credits for replacing your old, inefficient heating and cooling system with a more efficient system.

Depending on the system, you could receive between \$1,500 and \$4,500 or more off of your 2009 taxes by installing an energy efficient heating and cooling system. Below are examples of a typical heating and cooling system you could have in your average sized home today:

Equipment	70% Propane Furnace/ 10 SEER Air Conditioner	Geothermal System	Air Source Heat Pump 16 SEER	95% Propane Fur- nace/ 16 SEER
Annual Heating	\$2,736*	\$700***	\$1,660	\$2,039
Annual Cooling	\$598**	\$339	\$381	\$381
Water Heating	\$432	\$131	\$262	\$432
Total Annual Operating Cost	\$3,766	\$1,170	\$2,303	\$2,852
Energy Tax Credit	-----	\$4,740#	\$1,500##	\$1,500
Installation Cost After Rebate	-----	\$11,060	\$7,745	\$6,900
Utility Cost Savings	-----	\$2,596	\$1,463	\$914
Payback in Years	-----	4.26 Years	5.30 Years	7.55 Years

* Propane costs were figured at \$1.75 per gallon ** Summer electric rates are calculated at \$0.14 per kilowatt

*** Electrical heating rate is calculated at \$0.08 per kilowatt # 30% tax credit with no cap for geothermal is good through 2016 ## \$1,500 tax credit for a high efficiency heating and cooling system is good through 2010

From the above examples the tax credit and energy savings would pay for a geothermal heating and cooling system three years quicker than a high efficiency propane furnace and air conditioner. Once your heating and cooling system is paid and if energy prices were to remain the same, you would have an additional utility savings per year of \$1,675 with a geothermal system over a high efficiency propane furnace and air conditioner. As energy prices increase, the higher the efficiency of the heating and cooling system, the greater your savings will be in utility costs.

Another service for Eastern Illini Electric Cooperative member is an Energy Wise Geothermal Loan up to \$10,000 which can be paid over seven years at 6.9% interest on your monthly electric bill. For more information call the Eastern Illini marketing department at 800-824-5102 or visit our web site at: www.eiec.coop.

Eastern Illini is a Touchstone Energy Cooperative and your connection to energy wise living.

