

Energy Control grows profits with smart building

BY KEVIN ROBINSON-AVILA | NMBF STAFF

Jack McGowan is helping to create a completely new paradigm in the world of building management.

As chairman of the national **GridWise Architectural Council**, McGowan is contributing to the design of a national strategy to cut energy waste in buildings across the board while strengthening the country's electric grid.

In the process, McGowan is generating a lot more potential business for his New Mexico firm, **Energy Control Inc. (ECI)**, which designs "smart buildings" that run more efficiently with less energy. This fall, McGowan expects to sign ECI's first out-of-state contracts since the business launched in 1975.

"We're a New Mexico company that focuses on the New Mexico market but, as a result of my work at the national level, we're being approached by large companies that want to use our services," McGowan says. "We're poised to expand outside New Mexico for the first time. That's a major milestone for the company."

Even without leaving the state, ECI has earned a glowing reputation nationally thanks to its success in redesigning buildings around New Mexico. The company has received two national "Buidly Awards" since 2004 for its smart-building designs from **Builconn**, an organization that promotes fully integrated buildings. **SDM Magazine**, a trade publication, consistently recognizes ECI as one of the Top 100 System Integrators in North America.

McGowan himself was admitted to the International Energy Managers Hall of Fame in 2003 by the **Association of Energy Engineers**.

"He's a national leader on the issue of energy efficiency," says Mayor Martin Chávez. "He commands respect in this industry."

Karen Cook, president of the sustainable economic development consultancy **Eecom Inc.**, says McGowan has been a driving force in Albuquerque efforts to promote green buildings.

"He's working nationally to connect smart grids with smart buildings, and to bring that initiative to New Mexico," Cook says. "Under Mayor Ch ávez, Albuquerque is becoming a national leader in the sustainable energy arena, and Jack has contributed a lot to that."

McGowan is the only New Mexican appointed to the 13-member GridWise Council, which the Department of Energy formed in



2003 after rolling blackouts occurred on the East Coast.

The Council aims to draw government and industry together to create an "intelligent" national grid that can broker energy supplies based on customer need, strategically targeting delivery shutdowns when the grid is overloaded.

For that to work, buildings across the board must become more energy efficient, with fully integrated computer controls that allow managers to easily redirect scarce resources as needed.

With McGowan's help, the DOE has granted \$600,000 for a pilot-demo project at the **University of New Mexico** that will use a solar energy system to save electricity and allow **Public Service Co. of New Mexico**, at times, to take an entire building off the grid.

"With smart buildings and an intelligent grid, PNM can look at customer demand for energy to more efficiently distributed electricity," McGowan says.

In April, with encouragement from McGowan, Ch ávez became the first mayor



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nationwide to sign the new GridWise Constitution.

When this initiative moves forward across the country, many won't know who the people were that made it happen," Chávez says. "Jack is one of those people."

As president of ECI, McGowan has already made it happen quite effectively in buildings throughout New Mexico.

The company, originally created by engineer A. Bruce Cantrell, was mostly a sub-contractor for heating and cooling control systems until 2001, when McGowan joined the firm.

McGowan brought with him expertise in "systems integration", which creates smart buildings by connecting and automating all building management — from heating and air conditioning to lighting, security and fire prevention — under a single, online computer umbrella. Under ECI's integrated systems, building technicians can control temperatures, security cameras and all other systems with the stroke of a computer button, from virtually anywhere in the world.

"That means it's available for management and communication through the Internet anytime, anywhere," McGowan says.

ECI has set up such systems for public and commercial buildings across the state, such as the **Heart Hospital of New Mexico, Albuquerque Academy, Don Chalmers Ford, New Mexico State University** and many K-12 public schools.

Under McGowan's leadership, company revenue has grown from \$3.2 million in 2003 to just over \$10 million in 2006. McGowan projects \$12 million in sales this year.

"We've gone from being a subcontractor on jobs to being the prime contractor for energy systems," McGowan says. "The key to ECI's growth is our consultative approach with clients. We provide customized solutions."

Cantrell retired in 2004 from ECI, although he remains on the board. As majority shareholder, McGowan now controls the firm; there are two minority shareholders.

ECI now is concentrating heavily on contracts with public schools. The company helps to redesign systems for school districts across the state, such as Santa Fe, Alamogordo, and Artesia.

ECI just finished renovating the heating and cooling structures at a high school and an elementary school in Alamogordo. It led a team to design and install geothermal systems at both schools, and it integrated all building management into the company's flagship blueprint for central, online control.

The **Alamogordo Public Schools** invested \$9 million in the redesign at both schools, say

Dave Flood, director of operations and transportation.

"It's a higher up-front cost than a conventional system, but over the life cycle of the system it will be no more expensive," Flood says. "In fact, it will probably be less expensive because of the energy savings."

Flood says the district hired ECI because it provides a turnkey solution for building management.

"They're kind of a one-stop shop for engineering, design, installation, control and maintenance," Flood says. "I'm just tickled pink. My hope is to install the same systems in all 16 schools in the district."

VITAL STATISTICS

Company: Energy Control, Inc.

Owners: John J. "Jack" McGowan, Pat Gibson and Luanne Garcia

No. of employees: 60

Annual Revenues: 2006-\$10 million; projected 2007-\$12 million

Strategies: Create energy-efficient "smart buildings" that integrate all management systems under a single online umbrella; work nationally to sustain the power grid and net contracts with large, national firms; customize solutions for clients

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