

ENERGY OPPORTUNITY PLAN – SAMPLE HOTEL

Leverage Energy Efficiency to Increase Profits

TARGET: Capitalize on an available \$1,580,000 in increased asset value by implementing energy efficiency measures (EEMs) selected based on their potential for utility cost savings, increased operating income, and increased guest comfort. (Based on persistent utility savings of \$79,000 per year and 5% cap rate.)

SUBTARGET: Market the substantial energy, water and carbon emission savings to attract eco-conscious travelers.

RATIONALE: Installing the identified high efficiency lighting, high efficiency water heating, HVAC controls retrofits and low-flow water toilets projects will yield the following benefits:

- \$1,580,000 in increased building asset value
- \$735,000 increased profitability over the next 10 years
- \$82,000 worth of project costs reimbursed from state and local rebate programs
- 1.1 million gallons of water saved each year
- 1.2 million fewer pounds of carbon dioxide emissions each year

RECOMMENDED PROJECTS:

- LED and low wattage Fluorescent lighting
- Add HVAC control capabilities and Variable Frequency Drives
- Replace old boilers with on-demand tankless water heating units
- Low water flow toilets in all guest rooms

FINANCIAL:

Capital Cost	NPV	SIR	SP	mIRR
\$237,000	\$735,000	570%	1.6	23.3%

Incentive Amount	Energy Savings (BTU/Yr)	Energy/Water Savings (\$/Yr)	Demand Savings (kW)	Demand Savings (\$/Yr)
\$82,150	4,728,000	\$72,600	25	\$6,461

SPECIAL THANKS:

- Projects were identified with help from [REDACTED] and all the helpful staff and other engineers. Thank you!

ACTION:

- Solicit project installation estimates
- Submit incentive applications to SF Environment, PG&E and SFPUC
- Install projects

