

CHP BUSINESS IMPACT SCENARIO

Holiday Inn Express Katy Freeway* Houston, TX USA

Guest Rooms:	303	Kilowatt Hours Intensity per SF: 14.4 ¹
Estimated Square Feet:	76,971	Cubic Feet NG Intensity per SF: 29.2 ¹

	“As-Is” Utility-Sourced Electricity	“To-Be” Combined Heat & Power
Electricity Kilowatt Hours (kWh)²		
Total kWh Consumption	1,108,382	1,108,382
Cost per kWh	\$0.90	
Utility Service Charges	\$19,864	
Total Electricity Costs	\$124,149	\$1,200
Natural Gas Dekatherms (DTH)		
Electricity Generation (DTH)	-	3,782
CHP Recapture (DTH)	-	(1,910)
Space & Water Heating (DTH) ³	1,910	1,910
Cooking & Other (DTH)	337	337
Net DTH Consumption	2,248	4,119
Cost per DTH ⁴	\$9.86	\$8.38
Total Natural Gas Costs	\$22,161	\$34,522
Total Energy Costs	\$146,310	\$35,722
Impact in Year 1 (Cash Flow)		\$110,588
Ten-Year Cash Flows from EBITDA, including maintenance costs		\$1,075,558
Impact on Sell Price in Year 11 @ EBITDA Selling Multiple x 12		\$1,252,613
Total Value Created from Ten-Year Cash Flows + Sell Price		\$2,328,171
Internal Rate of Return (IRR), not including incentives		32%
Metric Tons of Carbon Dioxide (CO2) Reduced Annually⁵		226 (75%)

*Disclaimer: The CHP Business Impact Scenarios are hypothetical examples based on publicly available data, primarily from the U.S. Energy Information Administration (EIA). Findings and calculations are independently derived without direct input from property owners. Actual results may vary.

1. Source: US Energy Information Administration kWh and NG intensity for lodging facilities in climate Zone 2A
 2. Source: US Energy Information Administration kWh average commercial prices 2023 in TX, plus estimated utility service charge
 3. Source: US Energy Information Administration average uses of natural gas in hotels
 4. Source: US Energy Information Administration DTH average commercial prices 2023 in TX “To-Be” scenario assumes 15% discount from hedging
 5. Source: US Environmental Protection Agency Greenhouse Equivalencies Calculator