Item No. <u>4e_supp</u> Meeting Date: <u>July 25, 2017</u>

Mechanical Energy Conservation Stage 3



Port Legacy of Energy Conservation

- Airport completed over 50 conservation projects since 2001
- Cumulatively, projects reduce
 - ~20% energy
 - ~3,000 metric tons/year GHG
 - Annual energy bill by \$1.9M (21%)
- Stage 1 Mechanical (2008)
- Stage 2 Mechanical (2014)





Long-term savings from early conservation projects

Stage 3: Conservation Measures

- 1. Improve chilled water production and distribution network
- 2. Demand based ventilation
- 3. Air curtains
- 4. HVAC constant volume (CV) to variable air (VAV) box in Main Terminal
- 5. Insulation
- 6. Metering

Stage 3: Main Terminal Door Air Curtains

- Install at 27 doors to Main Terminal
- Reduces conditioned air loss to outdoors with High Velocity Air Curtains



Infrared Heat Loss Image

Normal Color Image

Example Unit – Sky Bridge 6

Stage 3: Sustainability Benefits

- Contributes to two Century Agenda objectives
 - Reduces energy
 - 0.4% reduction in total electricity use
 - 6.1% reduction in natural gas needed to heat Airport terminal
 - Reduces 839 metric tons of carbon/year
- Reduces reliance on hydropower
- Increases energy resiliency





Stage 3 advances our Century Agenda objectives

Financial Return

Energy Rate Assumptions	Internal Rate of Return (IRR)	Net Present Value (NPV)
Renewable Energy Rates	-0.3%	-\$3.7M
Current/Historical Energy Rates	-6% to -7%	-\$5.2 to -\$5.5M

Project justification based on sustainability benefits, not financial return

Budget and Schedule

	Request	Total Project
Design	\$1.5M	\$1.8M
Construction	\$5.3M	\$5.3M
Total	\$6.8M	\$7.1M

Schedule

- 2018 Q3 Complete Design
- 2018 Q3 Start Construction
- 2019 Q3 In use

Questions?