

CHP BUSINESS IMPACT SCENARIO

Sonesta Extended Stay Hotel* Montgomery, AL USA

Guest Rooms:	94	Kilowatt Hours Intensity per SF: 14.2 ¹
Estimated Square Feet:	62,108	Cubic Feet NG Intensity per SF: 44.6 ¹

	“As-Is” Utility-Sourced Electricity	“To-Be” Combined Heat & Power
Electricity Kilowatt Hours (kWh)²		
Total kWh Consumption	881,934	881,934
Cost per kWh	\$0.132	-
Utility Service Charges	\$29,052	\$1,200
Total Electricity Costs	\$154,943	\$1,200
Natural Gas Dekatherms (DTH)		
Electricity Generation (DTH)	-	3,009
CHP Recapture (DTH)	-	(2,335)
Space & Water Heating (DTH) ³	2,355	2,335
Cooking & Other (DTH)	416	416
Net DTH Consumption	2,770	3,425
Cost per DTH ⁴	\$15.27	\$12.98
Total Natural Gas Costs	\$42,298	\$44,452
Total Energy Costs	\$197,241	\$45,652
Impact in Year 1 (Cash Flow)		\$151,589
Ten-Year Cash Flows from EBITDA, including maintenance costs		\$1,587,376
Impact on Sell Price in Year 11 @ EBITDA Selling Multiple x 6		\$1,099,056
Total Value Created from Ten-Year Cash Flows + Sell Price		\$2,686,432
Internal Rate of Return (IRR), not including incentives/financing		53%
Metric Tons of Carbon Dioxide (CO2) Reduced Annually⁵		188 (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 3 - Mild
 2. Source: US Energy Information Administration kWh average commercial prices 2023 in AL, 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 AL. "To-Be" scenario assumes 15% discount from hedging
 5. Source: US Environmental Protection Agency Greenhouse Equivalencies Calculator