Overview of Marriott Energy Program and Key Bridge Marriott Upgrades

Climate Leaders Partner Meeting

October 12 -13, 2006

Agenda

- Marriott Energy & Environmental Program
 - Key Drivers
 - Program Scope
- Key Bridge Marriott Renovation Program
- > Tour



Factors Addressed in Developing Marriott's Energy Program Include:

- Natural gas prices will remain highly volatile for the foreseeable future
- Electricity prices also will be highly volatile in certain areas of the country
- Oil & NG shortages will yield price spikes and a "boom/bust" cycle
 - Weather, strength of economy, and political unrest are biggest drivers and biggest unknowns
- We have limited ability to control rates the best way to control utility cost is by reducing consumption
- Customer interest in energy efficiency and environmental stewardship is growing



Energy Program Components

An effective energy program has 3 main components:

- Information management
- Contracting for energy commodities where possible to manage risk
- Increasing efficiency to reduce cost
 - Improve O&M
 - Install efficient equipment where appropriate

Improving energy efficiency is the best way a hotel can generate environmental benefits

 However, we also plan to address recycling, waste reduction, and environmental awareness

Marriott 2007 Energy Initiatives

- Energy Star certification at least 75 more hotels
- Expanded environmental efforts
 - Recycling & waste reduction
 - Earth Day promotions (April 22)
- Efficiency improvement
 - Re-commissioning
 - O&M and PM to be emphasis
 - Increase number of ROI projects
 - "Top 4" lighting, T-stats, cold water laundry, VFDs
 - New options being investigated many control systems, water, window films, etc.



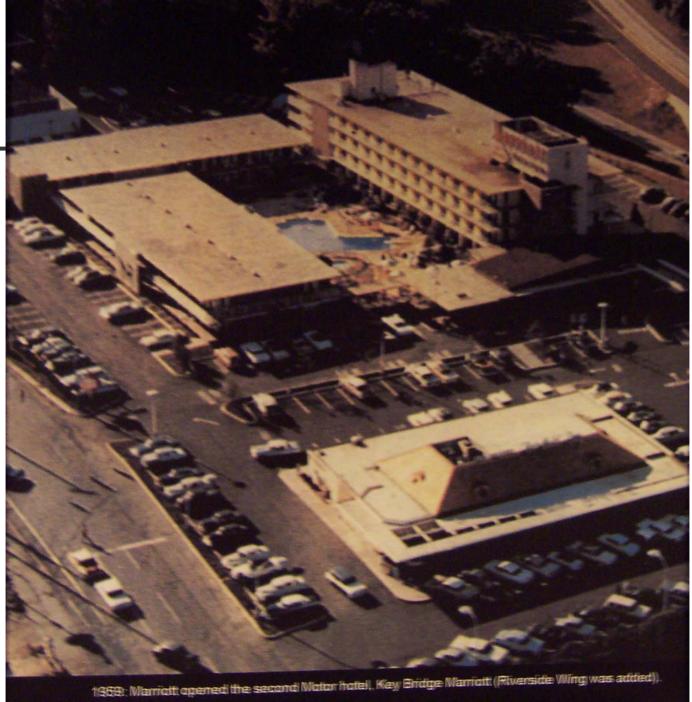
Key Bridge Marriott Renovation Program

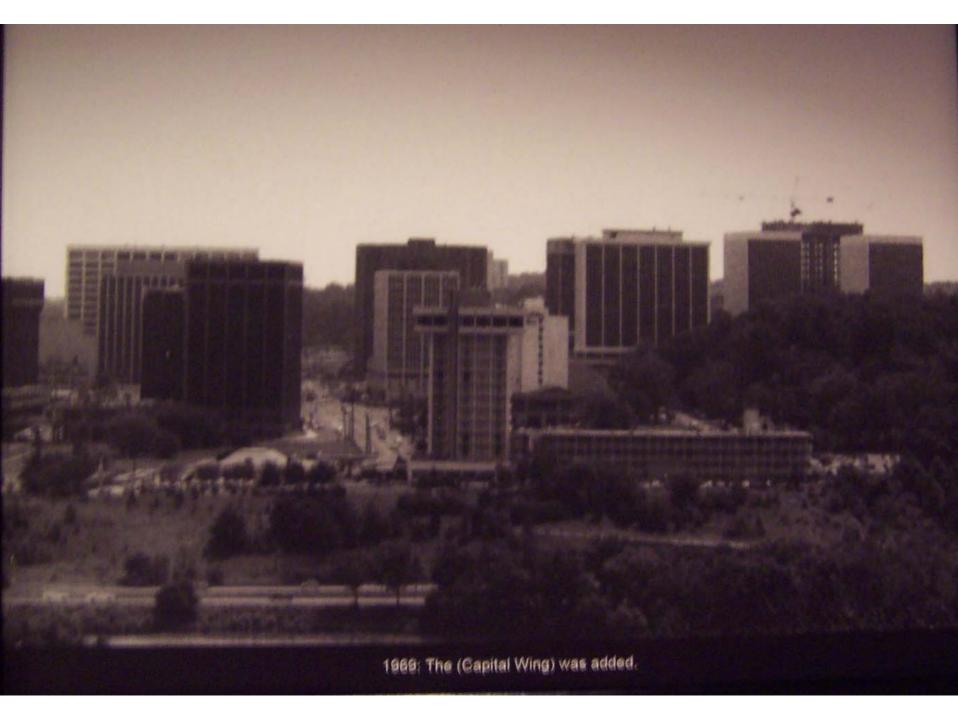


Building History

- This is the second hotel built by Marriott and it now is the oldest in the system
- Property was constructed in 4 phases
 - 1959: Riverside tower
 - 1969: Capital tower
 - 1979: Rossyln tower
 - 1989: Arlington tower
- Building owned by Host Hotels & Resorts and managed by Marriott International









Current Renovation Program

- Challenges being addressed include
 - Lack of integration and manual operation of most systems
 - Old inefficient equipment; 2-pipe system in 3 towers
 - Inadequate maintenance due to major access problems
 - Need to work with aging piping and wiring systems
 - Limited funds available cost vs. efficiency tradeoffs
- Work on renovation began in 2000 but was put on hold due to downturn in 2001/2002
- Current phase will be completed in 2007





Guestroom Improvements

- Replace fan coils in 2 older towers
 - Both towers have 2-pipe system
 - Installed easy-to-clean units with electric heater
- Installed digital thermostats in all guestrooms
 - Allow better temperature control
 - Limit temperature extremes to protect asset
- CFLs and T-8s installed in all guestrooms to increase light levels and reduce energy consumption

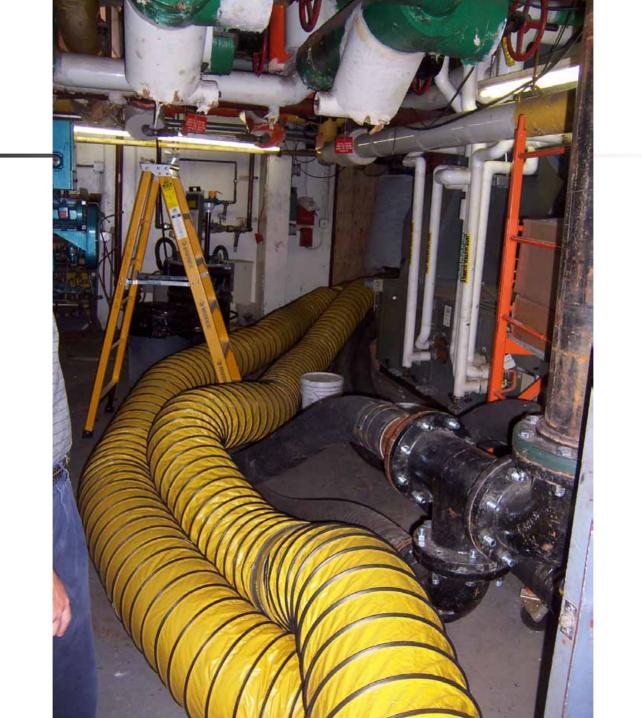


Chillers & Cooling Towers

- Replaced two 350-ton Trane chillers with two 275 ton York screw chillers in 2000
 - Standard efficiency units selected for cost down.
 - Downsized units to more closely match load which improves average efficiency
 - Retained 250 ton Carrier for back up on hot days.
- Added small cooling tower in 2005 to serve 250 ton chiller
- Replacing 900 ton CT with 700 ton CT
 - Variable speed fans replace constant speed

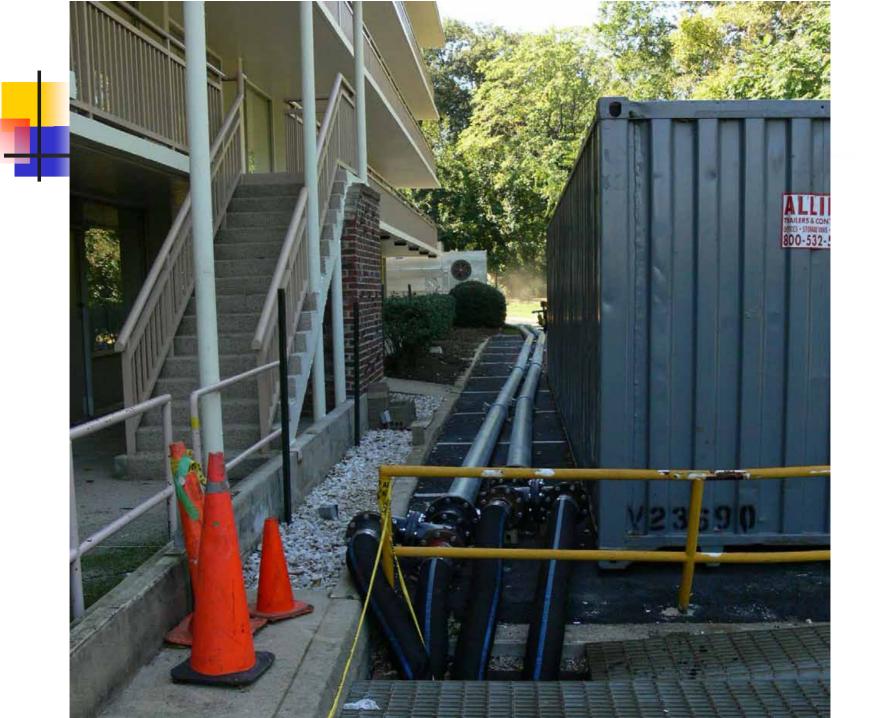
















Ventilation & Control Systems

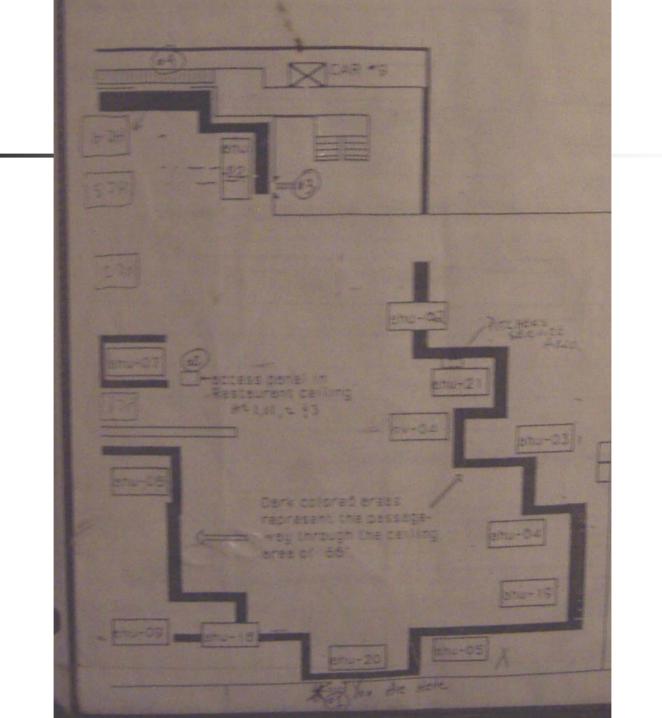
- Replacing 11 AHUs with redesigned system
 - New system has 3 constant-volume AHUs feeding 7 VAV boxes that serve meeting rooms
 - Improved access for maintenance eliminating "Route 66" over lobby
 - New controls permit better temperature and humidity control
 - Improve guest comfort and IAQ
 - Better humidity control protects furniture & fixtures
- Installing Honeywell Comfort Point EMS













Boilers

Boilers

- Installed new Lockinvar boilers for DHW heating in 1999
- Two Cleaver Brooks boilers installed in 1989 used for space heating





Restaurant to Ballroom Conversion

- Converting JW restaurant on top floor to 4000 sq.ft. ballroom
 - Replacing single-pane windows with double-pane
 - HVAC & lighting upgrades included in switch
- Installing 2 new AHUs on roof for ballroom (VAV/VSD)











Additional Changes

- New, efficient lighting being installed in public spaces during renovations
- Future changes being plan or evaluated include:
 - Adding economizer
 - VSDs on chilled and condenser water pumps
 - Thermopane windows on entire building
 - Pool area dehumidification/water heating system



QUESTIONS?

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