

BETTER BUILDINGS ALLIANCE

TownePlace Suites Takes Advantage of Large Solar Installation

TownePlace Suites, located on Joint Base Andrews in Maryland, is owned by Clinton Suites Hotel LLC as a franchise of Marriott¹.

Clinton Suites Hotel LLC also owns a four-acre piece of land adjoining the TownePlace Suites and was previously unable to develop it. However, they discovered the opportunity to develop the land with a large solar installation, which would allow them to utilize the land while also increasing the value of the hotel by decreasing the hotel's electric costs and improving the hotel's environmental reputation.

Project Keys to Success

The primary motivations for the project were to decrease operating expenses, develop a valuable project on an under-utilized property, and support energy security and the environment.

Additionally, being located in Maryland, the hotel would become eligible to participate in the Maryland Solar Renewable Energy Certificate (SREC) market², which enables the hotel to sell renewable energy credits to electricity suppliers. Due to Maryland's Renewable Energy Portfolio Standard, electricity suppliers are required to have a minimum portion of their electricity supplied by renewable energy sources, which can be met through the purchase of SRECs. To increase guest engagement around the solar PV, the hotel set up an energy monitor in the lobby to show how much of the electricity demand is powered by the solar array, the emissions offset, and other interesting statistics.



The TownePlace Suites ground-mounted array. Photo Credit:Centurion Development Group

SOLAR PROJECT SPOTLIGHT	
Date Installed	December 2014
Location	Joint Base Andrews, Maryland
Installation Type	Ground Mounted
Size	706 kW
Annual Production	839,000 kWh
Electricity Offset	100%
Expected Payback	8 years
Financing	Bank Loan

² Further SREC market information is available at: www.srectrade.com/srec_markets/introduction.



¹ Marriott International is a DOE <u>Better Buildings Alliance</u> member.

Financing

Clinton Suites Hotel LLC financed the project with a conventional loan from EagleBank, the lender with which the hotel typically works. The loan was structured for a debt service ratio of 1-1.3. Considering the solar array offsets 100% of the TownePlace Suite's electricity consumption, there is an expected payback period of 8 years for the solar array. Additionally, the hotel will utilize the 30 percent federal Solar Investment Tax Credit and the SRECs generated for additional savings.

Additional Tips

- ▶ The solar array was a relatively new type of construction for the county permitting office and there were significant delays in approval. Once approved, the construction minimally impacted guests at the hotel.
- ▶ During the final stages of construction that involved interconnection with the electric grid, the hotel was required to run on generator power for a week. Additionally, there were several instances of turning off power to the hotel for 30 minutes, which management timed to impact guests as little as possible. Notices were sent to guests before these outages, and guests were very understanding.

KEY TAKEAWAYS

- ▶ Due to the difficulty in getting the project permitted, the development group hired a lawyer to facilitate the process. Another strategy was to contact the permitting office often, to check on the project and answer questions as they came up. Though hiring a lawyer made this approach a relatively expensive solution, it succeeded in getting the ground-mounted array approved. For towns, cities, or counties without solar experience, developers should expect this stage of the project to take a significant amount of time.
- Using solar energy to provide all of the electricity consumption for the TownePlace Suites supports the U.S. Department of Defense's initiative on renewable energy to increase energy security while also minimizing impact on the environment. These secondary benefits improve the hotel's reputation and potentially increase occupied rooms considering the hotel hosts many military personnel for Joint Base Andrews and can now attracting environmentally minded guests.



The contractor in charge of the project was Centurion Development Group, with technical support from Jeff Wolfe Consulting. The installation was completed by Evergreen Solar Services

