# PowerGrant Profiles

June 2007



### Canal Park Lodge New Hotel Makes Room for Energy Savings



Developers consulted with Minnesota Power throughout construction of the new Canal Park Lodge to improve the building's energy performance. [Inset] Ron Anderson (left), of Canal Park Inn, LLC, says changes recommended by Minnesota Power energy consultant Matt Haley (right) made economic and environmental sense.

The new Canal Park Lodge in Duluth is right at home on Lake Superior. Its rich earth tones, rustic timbers, and dramatic stonework blend perfectly into its scenic North Shore setting—an ideal retreat for vacationers who value the natural environment.

Environmental respect is more than a façade at the Canal Park Lodge. Developers worked closely with Minnesota Power's Conservation Improvement Program (CIP) and its energy consultants throughout the design and construction process, sharing plans and continually looking for opportunities to improve the 116-unit facility's energy performance.

The project was on a fast track. It began in August 2006 with demolition of the old, outdated Canal Park Inn. Construction of the new, upscale Canal Park Lodge started in early September, and crews worked through the winter to complete it in time for the 2007 summer season. Despite the compressed schedule, no corners were cut when it came to energy efficiency.

"We wanted to make this lodge as energy efficient as possible, in ways that made economic sense," said Ronald

Anderson, secretary, Canal Park Lodge, LLC. Having worked with Minnesota Power on other building projects as chief financial officer of Grandma's Restaurant Company, Anderson was familiar with the utility's energy conservation rebates and technical assistance programs.

Minnesota Power is flexible in helping customers integrate energy-saving products and technologies into their projects—at any stage of development. For the Canal Park Lodge, CIP energy consultants met early with developers and engineers to discuss overall energy-efficiency measures that could be incorporated into the building and grounds.

One of the first strategies implemented was the use of pulse-start, metal halide lamps for parking lot lighting. This decision was made early so the parking lot could be poured in the fall to avoid spring construction delays. The selected lamps are 25% more energy efficient than standard parking lot lights. Interior lighting is ENERGY STAR®-qualified.

CIP consultants helped identify high efficiency packaged terminal air conditioner (PTAC) units for heating and cooling individual guest rooms and suites. PTACs feature electric heat pumps that capture heat and pump it outdoors during the summer to keep rooms cool and comfortable. They can draw outside heat into the building for added warmth. PTACs often are used in hotel and apartment complexes so occupants can adjust the temperature of individual rooms to their personal preferences. The units can be turned down or off when rooms are unoccupied for energy savings. As work progressed, Minnesota Power commissioned a thermal imaging study to verify proper wall insulation and sealing for maximum energy performance.

A computerized climate control system in the lodge's lobby automatically regulates fan speeds, dampers, and

#### "Energizing Our Region" through Conservation Improvement

Minnesota Power's Conservation Improvement Program (CIP) works with local leaders, businesses, community groups, other energy providers, and government entities to help customers reap the economic and environmental benefits of sustainable energy savings. Minnesota Power and its partners accomplish this through research, education, evaluation, and direct impact initiatives.

#### Find out how PowerGrant can help you

Minnesota Power awards grants to commercial/industrial customers who use innovative technologies, improve manufacturing processes, undertake renewable electric energy projects, or who need project design assistance. PowerGrant is available for a wide variety of projects employing diverse technologies.

Here are some examples of activities or products that could qualify for Minnesota Power funding under the PowerGrant Program:

- New electro-technologies that lower energy costs per unit of production in a manufacturing process
- Innovative technologies that are new and underutilized in our regional marketplace
- Inclusion of energy-efficient options in the design phase of a project

Maximum annual grants are determined by a customer's average billing demand:

| Customer Demand  | Maximum Gra |
|------------------|-------------|
| Less than 100 kW | \$10,000    |
| 100 to 300 kW    | \$25,000    |
| Over 300 kW      | \$50,000    |

Customers may submit multiple grant requests.

#### Other Minnesota Power Products and Services

In addition to PowerGrants, Minnesota Power CIP offers commercial, industrial, and agricultural customers other energy efficiency products and services. These include energy audits, rebates, dual fuel, storage/off-peak services, outdoor and area lighting, and economic development assistance.



(Top) Energy-efficient, pulse-start metal halide parking lot lights hold their lumens over time and are fully shielded to prevent polluting the night sky or wasting energy. (Bottom) Individual PTACs allow room-by-room heating and cooling control. These units use 300 to 400 times less electricity and are much less expensive to install than baseboard or electric resistant heat.

## It pays to invest in energy efficiency...

temperature settings. Similar zoned systems may be installed in other common areas at a later date—depending upon performance and projected payback.

"If payback is five years or less, we are interested," Anderson said, noting that all energy- efficiency measures incorporated into the Canal Park Lodge meet that criterion. PowerGrant rebates from Minnesota Power can help reduce the upfront costs of conservation improvements and encourage investment in energy efficiency.

"Minnesota Power has a strong relationship with its customers," said Matt Haley, CIP consultant. "Businesses like Canal Park Lodge, LLC, are comfortable calling with questions, and we are eager to help them determine if an investment in energy efficiency makes sense."

"There are bottom-line advantages to saving energy that go beyond our desire to be green," Anderson added. "Reducing energy usage lowers expenses and makes the property more profitable and valuable. We appreciate the expertise and resources that Minnesota Power brings to a project."

#### **PowerGrant Contact Information**

For more information, please call
Minnesota Power's
Conservation Improvement Program
toll-free at 800-228-4966, ext. 2909 or visit
www.mnpower.com/powergrant.