

Residential & Light Commercial Applications of MicroCHP

NIST Micro-Generation Technologies

October 27, 2010





Background and History

- Started in 1998 with Marathon Engine purchase.
- Engine developed in 1980's as a heat pump, long life power source.
- Swiss company ecopower needed a robust engine in 2000 for new CHP.
- Started a European presence in 2001 and then sold to Vaillant

 – 3500 installs.
- US market started by MES in 2007 with controlled installs to be monitored.
- Manufacturing facility in Wisconsin, developing the North American market for small scale CHP.
- Other products relate to remote power with the Marathon engine.

ecopower™ Microcogen Appliance





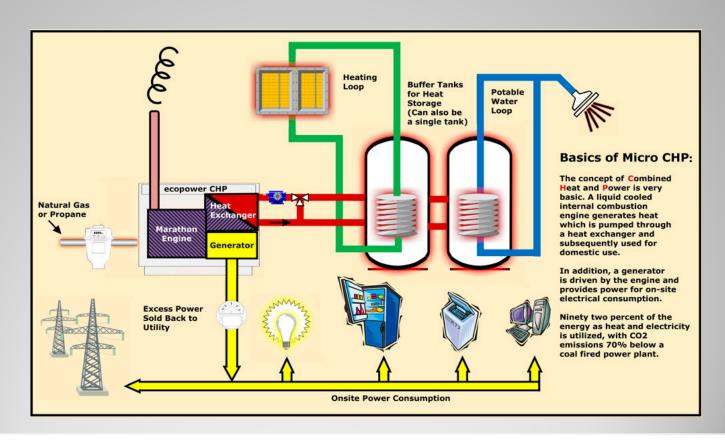
- Electrical output 2.2-4.7kw/hr modulating
- Heat output is 22,000 -44,000BTU/hr
- Maintenance interval: 4,000 hours –
 Oil, filters, spark plug (\$250)
- Engine life 40,000 hours.



"Energy cannot be created or destroyed.. Only converted from one form to another"

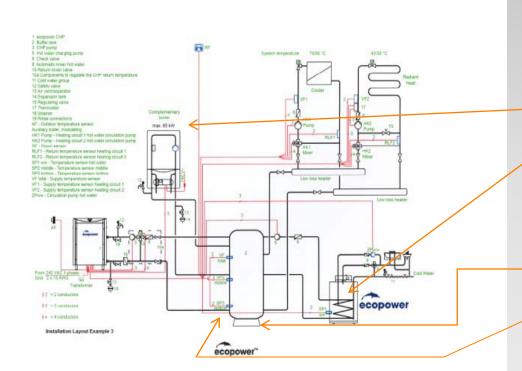
MARATHON ENGINE SYSTEMS

First Law of Thermodynamics





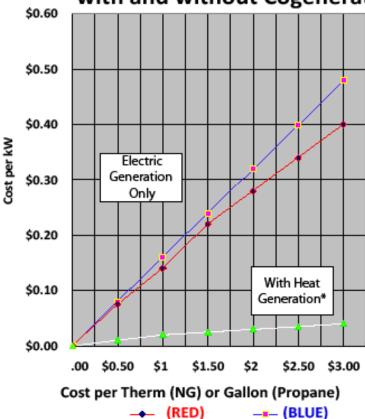
Typical MicroCogeneration System



Components and Concept

- A system can consist of up to FOUR units controlled by a master.
- This offers modular utility.
- Complementary boiler is that as well as backup.
- Domestic hot water is easily done.
- Can adapt to all hydronic and most non-hydronic heating systems.
- Buffer tank is radiator as well as storage.
- Thermocouples monitor heat striation for modulation.

ecopower Electricity Generation Costs with and without Cogeneration



^{*}Because of the low cost of generation in this mode, both propane and natural gas trend lines are virtually the same.



As the accompanying graph shows, the cost of generating electricity while in the heating mode is very low—looked on as a by-product of making hot water.



Case Study



Epping, New Hampshire --Town Hall

- 125 yr. Old, 15,000 sqft building
- Two oil fired boilers ---70% efficient.
- Operate one unit in summer just for domestic hot water needs
- Windows, Solar Panels, Insulation
- Project cost was \$60,000
- Anticipated four year payback
- Greenhouse gas emissions were cut in half.
- Through 08/10 generated 15Mwh of power and saving \$2300 in electric and significant fuel savings.







New Heat and Power Plant

- ecopower microCHP with a ..
- Buffer Storage tank –250 gal.
- High efficiency 300,000 Btu modulating boiler
- Only runs in the heating season

Small Lodge

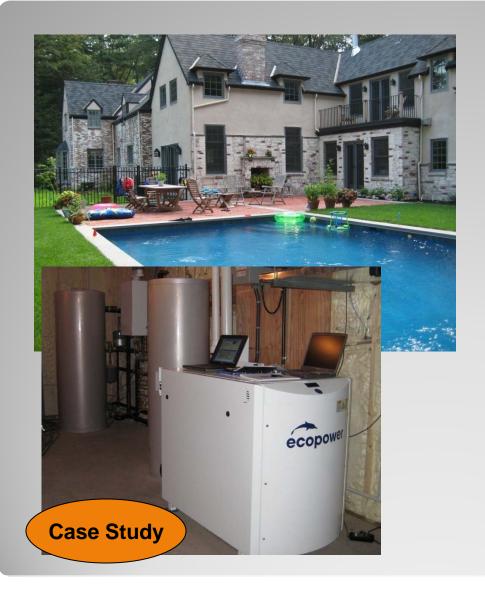
16 Rooms with Hot tubs
On site laundry
Domestic Hot water
Older oil fired boiler-65%
efficient





Information

- Current Energy Costs \$22,828/yr
 - 5300 gals of oil -- \$13,850
 - 53,763 Kwh elec-- \$8,978
- Ecopower plus modulating boiler
 - Conversion to natural gas
- Ecopower will generate 77% of the electricity needed
- Savings for energy in one year: \$10,603



MARATHON ENGINE SYSTEMS

Private Residence – Massachusetts

- 8,000 sq.ft.
- 28,000 gallon pool- 85 F (Grandkids)
- Full in-floor radiant heating system in the house
- Geothermal system as backup.
- In 20 months of ecopower use -- generated 40 Mwh of electricity @ \$0.23/Kw savings of \$9,000

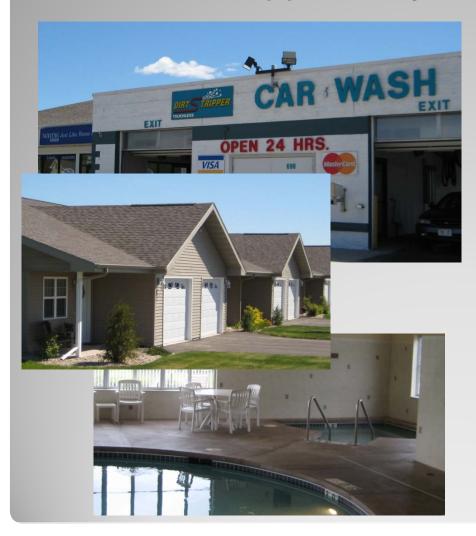




Domestic hot water for a 56 Unit, LEED Platinum apartment building . Bronx, NY

- Installed August 2009
- Can generate: 6 Mwh/mo
- Current electric rate is \$0.25/kwh
- In the first 12 months –
 69Mwh.
- Savings of \$17,000 + per year in electrical costs.

Areas of Opportunity





- Commercial Market is Stronger and shows promise
 - Hotel/Motel
 - Laundries,
 - Car Washes,
 - Restaurants
 - Apartments
 - Green houses
 - High end homes
 - Nursing homes
 - Assisted living facilities
 - Truck stops
 - Hydroponic farms
 - Natatoria

Future for MicroCHP



Advantages

- Totally controllable and dispatchable
- Clean significantly less CO₂ NOx and SO₂. Carbon Credits (?)
- Can offset demand issues
- Condition Power. Power Factor: 1
- Efficiency is >80% when applying both heat and electricity.
- Backup power -- Jan 2011
- Cooling --- coming

Challenges

- High costs because of being as emerging technology.
- ROI is difficult to achieve in many cases. System: \$30-\$40,000
- Subsidies and/or rebates are necessary to bring it to the next level. Economies of scale will help.
- Utilities are slow to change.
- Not for all applications
- Generally need heat utilization--for now.
- Education of the consumer
- Education of the dealers.
- Education of the service providers.



Marathon Engine Systems 2050 Energy Dr. East Troy, WI 53120

Mike Cocking 262.642.6436 www.marathonengine.com