

## MEBS6016 Energy Performance of Buildings

<http://www.hku.hk/bse/MEBS6016/>

### Self-evaluation Exercise (2010-2011) (Suggested Solutions)

(\* Outline of the solution only)

1. (a)

Possible benefits of energy efficiency:

- Improved building design and operation
- Better working environments
- Life-cycle cost savings
- Added market value of buildings
- Reduced CO<sub>2</sub> emissions and consumption of finite fossil fuels
- Reduced capital cost by better integration of building fabric and systems

Key strategies to achieve energy efficiency for new buildings and existing buildings (w/ brief discussions for each):

- For new buildings
  - Designing the building
    - Design strategy
    - Control strategies
    - Commissioning
- For existing buildings
  - Operating and upgrading the building
    - Building management
    - Refurbishment/renovation/retrofitting
    - Maintenance and monitoring

1. (b)

Average cost of electricity =  $\$3.5 \times 10^6 / 3.2 \times 10^6 \text{ kWh} = \underline{\$1.09 \text{ per kWh}}$

Net floor area =  $0.7 \times \text{Gross floor area} = 0.7 \times 20,000 = 14,000 \text{ m}^2$

Energy charge = annual electricity cost  $\times (1 - 15\%)$

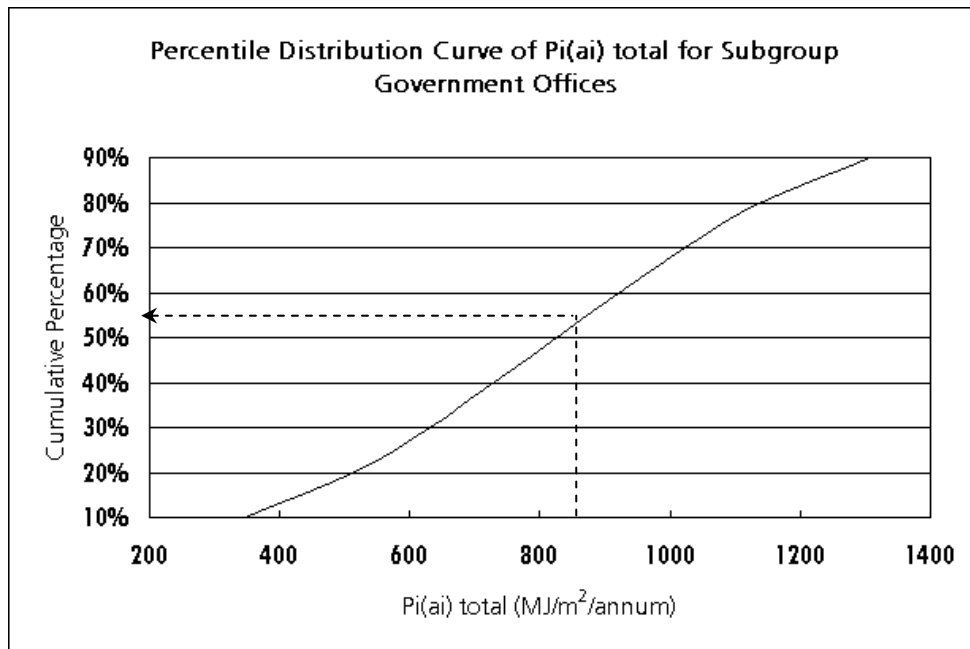
i) Energy utilization index, based on net floor area is:

$$3.2 \times 10^6 / 14,000 = \underline{\underline{228.6 \text{ kWh/m}^2/\text{year}}} \quad (\text{or } 823 \text{ MJ/m}^2/\text{year})$$

ii) Energy cost index, based on net floor area is:

$$\$3.5 \times 10^6 \times (1 - 15\%) / 14,000 = \underline{\underline{\$212.5 / \text{m}^2/\text{year}}}$$

From the given energy benchmark graph, at 823 MJ/m<sup>2</sup>/year the percentile is about 54%. That means, 46% of the building population in this group is having energy consumption level higher than this building while 54% of the building population is having energy consumption level lower than it. This building is close to the average in the group.



2. (a)

The EU directive, came into force on 4 Jan 2003, is an important move by the European Union and will contribute to reducing carbon dioxide emissions under the Kyoto protocol (Europe overall -8% emission). It will also set out a trend for promotion & assessment of building energy performance in the world.

How does the EU directive work? It facilitated requirements to measure building energy use by:

- Introducing agreed measurements of relative energy performance
- Regular inspections and re-evaluations
- Requiring higher standards for upgrading larger buildings
- Improving standards for new buildings

Four major requirements of the directive and their implications (w/ brief description):

1. Methodology for integrated buildings energy performance standards
2. Application of these standards on new and existing buildings
3. Certification schemes for all buildings
4. Inspection & assessment of boilers/heating and cooling installations

2. (b)

Annual energy cost savings in dollars:

$$\text{Option A} = [(360,000 - 180,000) / 3.6] \times (\$1/\text{kWh}) = \underline{\underline{\$50,000}}$$

$$\text{Option B} = [(360,000 - 252,000) / 3.6] \times (\$1/\text{kWh}) = \underline{\underline{\$30,000}}$$

Simple payback (SPB):

$$\text{Option A} = \$200,000 / \$50,000 = \underline{\underline{4 \text{ years}}}$$

$$\text{Option B} = \$100,000 / \$30,000 = \underline{\underline{3.3 \text{ years}}}$$

Return on investment (ROI):

$$\text{Option A} = \$50,000 / \$200,000 \times 100\% = \underline{\underline{25\%}}$$

$$\text{Option B} = \$30,000 / \$100,000 \times 100\% = \underline{\underline{30\%}}$$

With interest rate 10% and the study period 10 years, present worth factor is:

$$PWF = [1 - 1/(1 + 0.1)^{10}]/0.1 = 6.145$$

Net present value (NPV):

$$\text{Option A} = -\$200,000 + \$50,000 \times 6.145 = \underline{\$107,250}$$

$$\text{Option B} = -\$100,000 + \$30,000 \times 6.145 = \underline{\$84,350}$$

Since Option A has a higher NPV, it is preferred.

3. (a)

Prescriptive approach:

- Advantages:
  - Simple to use & follow
  - Easy to check & enforce
- Drawbacks:
  - Rather restrictive
  - Barrier to innovation & performance optimization
  - Hinder cross-country product trading

Performance approach:

- Advantages:
  - More clearly explains what the code intends
  - Permits innovation & alternative solutions
  - More flexible regulatory environment, easily updated
  - Encourage building/technology research
- Drawbacks:
  - Often more efforts are needed for analysis/compliance
  - Can be very complex & require energy expertise

Four situations where simulation method is not recommended:

- If it can't answer the design question (such as airflow & occupant behaviours)
- If the design has proceeded too far (unlikely anything can be changed)
- If project is too small or time is too tight (not economical to carry out simulation)
- If you do not understand the benefits & limitations of the simulation

3. (b)

From the pump law, estimated new annual energy consumption is:

$$(8,000 \text{ kWh}) \times (70/100)^3 = 2,744 \text{ kWh}$$

Therefore, Estimated annual energy savings =  $(8,000 - 2,744) = \underline{5,526 \text{ kWh}}$

Estimated annual energy cost savings =  $(5,526 \text{ kWh}) \times (\$1/\text{kWh}) = \$5,256$

Net annual cost saving =  $\$5,256 - \$200 = \underline{\$5,056}$

Simple payback =  $\$20,000 / \$5,056 = \underline{3.96 \text{ years}}$

Discount factor =  $(1 + r)^{-n} = (1 + 8\%)^{-n}$

Thus, cash flow analysis for a study period of 10 years is:

Year	Initial cost	Energy savings	Additional maint. cost	Net cost savings	Discount factor	Present value
0	-\$20,000				1.000	-\$20,000
1		\$5,256	-\$200	\$5,056	0.926	\$4,682
2		\$5,256	-\$200	\$5,056	0.857	\$4,333
3		\$5,256	-\$200	\$5,056	0.794	\$4,014
4		\$5,256	-\$200	\$5,056	0.735	\$3,716
5		\$5,256	-\$200	\$5,056	0.681	\$3,443
6		\$5,256	-\$200	\$5,056	0.630	\$3,185
7		\$5,256	-\$200	\$5,056	0.583	\$2,948
8		\$5,256	-\$200	\$5,056	0.540	\$2,730
9		\$5,256	-\$200	\$5,056	0.500	\$2,528
10		\$5,256	-\$200	\$5,056	0.463	\$2,341
			<b>Total =</b>	<b>\$50,560</b>		<b>\$13,926</b>

Total life cycle cost = -\$20,000 + \$33,926 = \$13,926

Or, with interest rate 8% and the study period 10 years, present worth factor is:

$$PWF = [1 - 1/(1 + 0.08)^{10}]/0.08 = 6.71$$

Total life cycle cost = -\$20,000 + \$5,056 x 6.71 = \$13,926