

The Detroit Thermal VOICE

FIRST QUARTER 2010



DETROIT'S SOURCE FOR SAFE, RELIABLE, COST-EFFECTIVE DISTRICT HEATING

SYSTEM IMPROVEMENT



Control center undergoes a renovation

The nerve center of Detroit's district heating operation lies deep inside the Beacon Heating Plant.

The control room overlooks the boilers and houses the computers and equipment that allow operators to monitor and adjust the operation of the boilers 24 hours a day, seven days a week, all year long.

Until recently, the look and

layout of the room did not match the up-to-date equipment inside it. However, a recently completed renovation has made the room brighter, more comfortable – and more practical.

The room's infrastructure was upgraded, and the work space has new lighting and fresh paint. In addition, more functional desks have been installed to accommodate the room's 10 computer screens as well as storage space for charts, log books and other important records.

"The new control desk was

designed with ergonomics in mind," said Ron Kentala, plant manager, who spearheaded the renovation. "Now it's easier for the operators to access all the controls with less reaching and stretching."

The project took about six months from planning to completion. Victor Williams, maintenance supervisor supervised the process.

"Now the room itself facilitates the incorporation of new control technology," Kentala said. "It is as up to date and efficient as the rest of the plant." ■

Steam tariff rate bucks trend, moves downward

Unlike most business expenses, the effective rate customers pay for steam has actually decreased.

The current tariff rate, adjusted to be consistent with changes in the Consumer Price Index, is nearly 9 percent lower than it was in 2003, the year Detroit Thermal took over the city's district heating system. The tariff rate is approved by the Michigan Public Service Commission.

"When the rates are compared and adjusted for inflation, they show that customers are paying \$2.03 less per M-pound (1,000 pounds) of steam now than they were in late 2003," said Scott Barr, Detroit Thermal director of business development.

"The nearly \$35 million in capital improvements that Detroit Thermal has made in its steam production and distribution systems have increased efficiencies and productivity," said Richard Dilley,

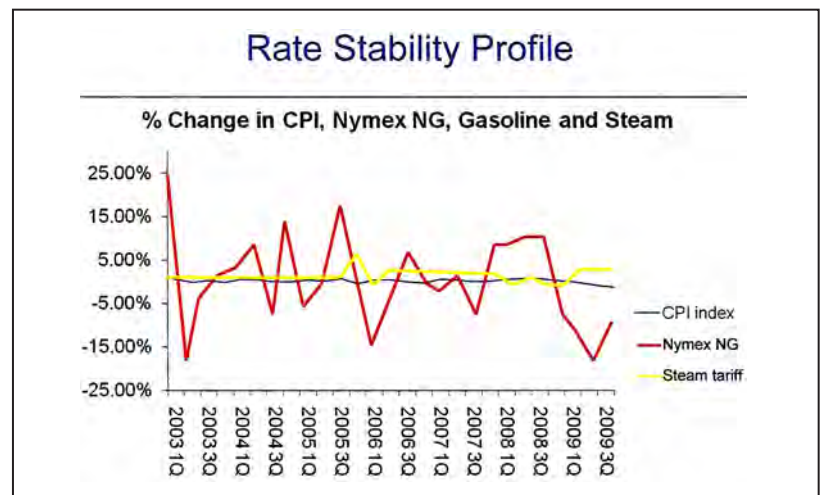
Detroit Thermal controller. "Those improvements help us control costs, and that in turn helps keep the tariff from increasing."

In other words, Barr says: "The benefit is flowing right to the customer's bottom line."

Customers also benefit from more predictable energy costs. "One of our goals is to maintain stability and predictability so customers can budget effectively for their energy needs," Dilley said.

One of the most important factors in a building's heating cost is one that customers themselves control — usage. No matter what the cost per M-pound, the fewer M-pounds used, the lower the bill.

"We hope customers maintain their systems in top working order," Dilley said, "and we hope those who are eligible will take advantage of programs such as tax incentives to improve the energy efficiency of their buildings." ■



New system puts a wasted resource to work

It is a three-mile journey from GDRRA to Beacon.

Along the way, condensate forms in the pipes that carry steam from the Greater Detroit Resource Recovery Authority facility at Russell and Ferry streets to Detroit Thermal's Beacon Heating Plant. Condensate is very hot water that used to be considered an unimportant by-product of the process. For a long time, it was cooled and then discarded into the sewer line.

Not any more.

This past summer, Henri Onuigbo, Detroit Thermal chief engineer, designed and implemented a system for using the condensate to help warm the very cold water that is fed into the boilers and heated to steam temperatures at Beacon. Onuigbo's heat recovery system involves pumping the condensate from the pipes that lie 90 feet below Beacon into tanks, where it mixes with cold city water before going into the boiler. Pipes, a pump and a heat exchanger are part of the new configuration.

"The heat recovery project required a relatively small investment, but it has improved our efficiency," Onuigbo explained. "We save energy by pre-warming the feed water, and we save water too. Now we are getting a lot of value from what was before a wasted resource."

Similar modifications to a buildings' system can result in savings. Customers that are not recovering energy from condensate may call Detroit Thermal, 313.963.3844 for more information. ■

SAFETY INSPECTION A SUCCESS

Safety is the top priority at Detroit Thermal. That was borne out after a surprise visit by an inspector from the Michigan Occupational Safety and Health Administration last summer. After a thorough inspection of Beacon Heating, the inspector reported “no willful violations.”

“The inspector did point out a few areas that could be improved, and we made the changes he suggested even before the inspection was completed,” said Dale Loomis, Detroit Thermal environmental, health and safety coordinator.

Loomis said the MIOSHA visit was part of the agency’s program of random drop-in inspections of facilities.

“The inspection was ‘wall-to-wall,’” Loomis said. “It involved everything from inspecting our forms, records and safety policies to walking through the entire facility.” The inspector also talked to a number of employees to verify that staff were trained in safety procedures.

“We are pleased with the results of the inspection,” Loomis said. “It is evidence of the company’s on-going commitment to the safety of its employees.” ■

INTERIM GDRRA CONTRACT SIGNED

Detroit Thermal and the Greater Detroit Resource Recovery Authority (GDRRA) have signed an interim agreement that allows Detroit Thermal to continue to buy steam produced by GDRRA while a long-term agreement is worked out. The new contract extends until the end of February.

“The interim agreement facilitates the development of a long-term agreement that is satisfactory to all parties,” said Vic Koppang, Detroit Thermal president.

Detroit’s district heating system has been using steam generated from the city’s solid waste since GDRRA began operation in 1989. At the GDRRA facility on Russell and Ferry streets, the city’s garbage is processed into refuse-derived fuel, which is burned to produce steam. The steam is then piped to Detroit Thermal’s Beacon Heating Plant. ■

Ad promotes downtown economic redevelopment

Detroit Thermal’s district heating system is an important asset to downtown Detroit, one that can help in the area’s economic redevelopment. It provides businesses that are considering locating or expanding in the area an energy choice, and makes safe, reliable, cost-effective, capital-saving heating easily available.

Detroit Thermal recognizes its role in the city’s economic future and works with a number of organizations to help advance Detroit’s future. Ads such as this one have run in publications that focus on promoting business in Detroit. ■

Do you own a building along these lines?

If your business/building is planning to add or replace your heating and cooling system and you're located along the 39 miles of Detroit Thermal piping system, call Detroit Thermal, LLC **today**.

Detroit Thermal is:

- ✓ Cost efficient
- ✓ Environmentally friendly
- ✓ Safe and reliable

Detroit Thermal is ideal for:

- ✓ New construction
- ✓ Expansion
- ✓ Renovation projects

Victor Koppang
President

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Anti-poverty donation

Detroit Thermal recently donated computers and audiovisual equipment to Matrix Human Services, a private, not-for-profit social service organization working to improve the quality of life for the most vulnerable in the Detroit community. Matrix, headquartered at 120 Parsons Street, provides a wide range of services at 20 locations throughout the city.

“We admire the work Matrix is doing to break the cycle of poverty for families in Detroit,” said Vic Koppang, Detroit Thermal president. “We are pleased to be able to help.”

The equipment Detroit Thermal donated will be used at the Matrix Human Services Center to help train people in computer skills and to give them experience in using computers to look for employment.

“We truly appreciate Detroit Thermal’s generous donation of computers and equipment,” said Marcella Wilson, Ph.D., chief executive officer and president of Matrix Human Services. “The gift helps us fulfill our mission of empowering individuals to become self-sufficient.” ■

PEOPLE IN THE NEWS

Plant manager rocks



Ron Kentala (left) and his band, Backstage Pass.

By day he's Detroit Thermal's Beacon plant manager, but in the evening Ron Kentala plays guitar and keyboard with Backstage Pass, a band that plays classic rock and roll at local clubs. The band entertained Detroit Thermal customers and guests at the company's annual holiday party held at the Gem Theater. ■

Detroit honors chief engineer

Chief Engineer Henri Onuigbo has been honored by the Detroit City Council for his leadership in serving the community.

Onuigbo was presented with the Spirit of Detroit Award in recognition of his role in founding and leading the Old Bende Cultural Association of Michigan, a non-profit organization that helps former residents of Bende, Onuigbo's home village in eastern Nigeria, who have settled in the Detroit area.

"We help members of the Bende community learn the culture of America," Onuigbo said, "and we help students of the Bende community and

others in the neighborhoods in which we live prepare for advanced education."

Onuigbo is one of three engineers in the Old Bende Cultural Association who provide free tutoring in math and physics. "Those of us who have training want to help our children and our community," he said.

Onuigbo was trained as an engineer in Nigeria. He came to the United States in 1987 and attended Wayne State University, where he earned a graduate degree in mechanical engineering. He also holds a professional engineer license from the State of Michigan. ■

Ventures II, LP company.

Detroit Thermal is a Thermal

central business district.

buildings in the city's

services to more than 140

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