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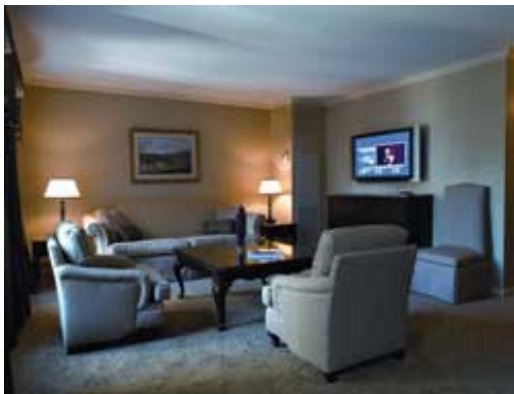
Easing Interaction

As energy management gets easier for guests to use, hoteliers gain even more ROI benefits.

by Sarah Baicker

As oil prices fluctuate and “going green” becomes ingrained in American culture, hotel energy conservation has grown from bright idea to necessary feature. But as technology progresses, energy management on its own may no longer suffice.

The newest generation of energy management systems is an exercise in the cutting edge. Most now use occupancy detection technology to save on costs—guests are still able to set their rooms to whatever temperatures they see fit, but when a room is vacant, in-room sensors notify its thermostat, and the room automatically sets back to a predetermined temperature. When guests return, the thermostat again kicks in to restore their temperature preference.



But the technology is beginning to go to another level of productivity. Manufacturers of in-room automation systems, such as Inncom, have started getting even more creative. Inncom recently partnered with interactive TV provider LodgeNet and a number of Voice over Internet Protocol (VoIP) providers to create technology that lets guests control their energy use through their in-room TVs and telephones, much like they’re able to order videogames or movies on-demand.

The systems are intentionally simple, says Inncom’s vice president of marketing John Tavares. As the typical hotel guest stays just two to three nights, few would have the patience to take a lengthy tutorial on how to navigate the room. Everything about the system is intuitive and recoverable.

A ‘No-Brainer’

It should come as no surprise that the costs—for both in-room systems and other energy management systems—vary on a hotel’s size and the level of functionality it desires.

In the case of the Inncom system, if a hotel’s primary desire is to control temperature and save on energy, it can be installed for about \$250 to \$350 per room. But if a hotel desires other amenities (everything from lights that turn on automatically when the door opens to drapes that rise or lower depending on the time of day), packages can run up to \$3,000 per room.

Installation of another type of management system, Telkonet’s SmartEnergy, runs about \$300 per room. But, says Telkonet COO Jeff Sobieski, few hotels actually pay 100 percent of the installation costs. Many utility companies and state governments assist hotels by paying part of the price or offering rebates.



Still, electing to install any kind of energy management system is a big decision. Even with financial assistance, it is a large investment.

Before choosing to install Lodging Technologies’ GEM Systems, another energy management system, in the Sheraton Syracuse, general manager David Heymann tested it in three rooms in different areas of his hotel to gauge its performance. The hotel’s management team was pleased with the results, and when he learned his hotel would receive a rebate from the New York State Energy Research and Development

Authority (NYSERDA), the hotel’s management was further sold on the idea.

“We felt we’d done enough research to know it was worth it—and the NYSERDA rebate further

helped us make the decision,” Heymann says. “It helped with the ROI calculation. I really believe the savings we’ll make will be worth the costs.”

In Las Vegas, the energy management system was so smoothly integrated at Americas Best Value Inn that Craig Leitch, the hotel’s vice president of operations, says guests haven’t noticed a thing. Despite the cost of installation, the decision to implement the technology was simple for the hotel’s management team, and they haven’t looked back.

“Like in a lot of places, utilities are pretty expensive in Nevada,” Leitch says. “Any way we can save a dollar, we’re going to try—with the rebate ... it was a no brainer.”

### The Savings

Inncom estimates that for every degree a thermostat saves—no matter whether it’s on heat in the winter or air conditioning in the summer—the energy costs for that room decrease by 3 percent. Multiply that over the number of guestrooms in a hotel, and you begin to see just how sizable energy savings can become.

Telkonet, for example, believes Americas Best Value Inn Last Vegas will save \$26,000 on energy costs in the first year alone thanks to its SmartEnergy system. Lodging Technology’s GEM Systems typically shaves 35 to 45 percent off a hotel’s energy bill.

Of course, depending on the energy costs of a hotel’s specific location, and on just how widely its room temperatures are permitted to fluctuate during vacancy, the actual savings incurred will vary. But even so, after the initial cost of installation, they add up quickly—and Sobieski says a SmartEnergy system generally pays for itself within two to three years.

To further bring home the point, Telkonet ran an analysis on the savings incurred by implementing its SmartEnergy technology. The resulting report found that guests were away from their rooms about 62 percent of the time.

“In the summer especially, that 62 percent will extrapolate into some real great kilowatt hour savings, which will add up into some good monetary savings, as well,” Sobieski says.

Leitch says SmartEnergy has already cut his hotel’s energy consumption by about 5 to 10 percent. He expects the savings to increase significantly once summer arrives. “With summer temperatures that get to 120 degrees—and guests leaving their front doors open with the A/C running—we’re thinking we’ll see astronomical savings,” he says.

### Branding Bonus

In addition to improving guests’ experiences and saving significantly on energy costs, these systems have had an unforeseen benefit to those who employ them: Branding.

“Energy management is such a buzz phrase right now,” Sobieski says. Not only is it good for hotels to save where they can on heating and cooling costs, but it’s also become an attractive offering for guests, he says, who are increasingly looking to mini-mize their effects on the environment.

And manufacturers are more than happy to help hoteliers educate their guests. Most companies provide hotels with literature that can be placed in rooms to alert guests to the energy-saving programs that are in place. The Sheraton Syracuse, for instance, leaves cards in rooms explaining what GEM System is. At America’s Best Value Inn in Las Vegas, laminated cards are left on beds detailing all the green features of the hotel, energy management included.

In addition to being able to say its joint venture with LodgeNet is technologically advanced, Inncom also offers an “EcoMode” button through the system. EcoMode is an option that, if selected, will alert a hotel that a room’s occupants are “green guests,” and wish to make their stay as environmentally friendly as possible. It will notify the hotel’s cleaning staff to refrain from changing sheets, replacing towels and adding shampoo bottles daily, for instance. But it stretches into energy use, as well.

For example, if a room’s summer temperature would normally rise three degrees while vacant, it would be permitted to rise an extra degree or two in a room in EcoMode. Precisely what EcoMode means is customizable, however; every hotel can treat green guests in their own way.

Some hotels choose to reward their green guests by offering rewards club points or gift certificates. “One hotel, for instance,” Tavares says, “keeps track of how long guests kept rooms in EcoMode, and offers them \$10 wind energy credits for every 10 hours spent at the hotel.”

Says Tavares, “Most guests these days, if asked, will say: ‘You can save all the energy you want while I’m in the room—just don’t make me uncomfortable.’” n