

Tel: 651.297.8955 Fax: 651.221.0353 www.districtenergy.com

Excess Hot Water Return Temperature Charge

We have extensively analyzed the cost of providing hot water under a variety of operating scenarios in order to better understand the cost impact of return hot water temperatures that are higher than design. Hot water return temperature in excess of 160 °F from a customer's building indicates the building's heating systems are inefficiently using the thermal energy delivered by District Energy St. Paul, increasing the number of gallons of hot water that must be delivered to the customer's point of delivery by District Energy and limiting the heating system's overall capacity.

In light of this analysis, we have incorporated a hot water charge for excess return temperature above 160°F to encourage customers to use our service the most effective way (Schedule A, Attachment 1, #5). If the temperature of hot water returned from customer's building heating system to customer's point of delivery exceeds 160 °F during the months of November through March, customer's demand charge for such year may be increased by an amount appropriate to reflect the increased rate of hot water delivered to customer during such time.

If you need helping making sure your return temperature stays below 160 °F, please contact the District Energy team at 651.297.8955, and they will provide guidance on how best to run your system. Our goal is to make it an incentive for customers to decrease the hot water return temperature from their systems. This rate adjustment also shifts the cost of high return temperatures away from customers whose buildings perform in compliance with the design guidelines.

The hot water charge is outlined in the Hot Water Delivery Agreement, Uniform Provisions, Article VIII, Section 8.2