

EXISTING BULK HOT WATER NETWORK

A complex comprising of two multi-tenant buildings with 40 tenancies in each building, had an ageing bulk hot water system (BHWS) at the end of its useful life. The system was becoming increasingly costly for the Body Corporate (BC) to maintain. The BHWS needed to be replaced and the BC was looking for innovative ways to reduce their expenditure while providing tenants and owners with fair, on-consumption hot water charges.

Savant Energy was engaged and worked alongside the BC to understand their needs. An analysis by Savant Energy of hot water usage within each complex identified significant potential savings for the BC, owners and tenants.

What happened next:

- Based on the analysis, a proposal was presented to the BC and accepted by owners and tenants at an extraordinary general meeting.
- Savant Energy sourced, installed and funded the replacement of the existing BHWS in both facilities saving the BC and owners **\$56,000**, which would traditionally have been financed from the BC sinking fund.
- Savant Energy implemented a 24-hour seven day emergency support service in case of plant failure. It also promised a four hour guarantee return to service and 24 hour replacement if required.
- Savant Energy took on the management of all meter reading, billing and coordinating new tenant paperwork.

Outcome:

- As a result of Savant Energy's replacement of the BHWS and management of the BHWS and Embedded Gas Network (EGN), the BC saved **\$6,000** per annum in operating costs for maintenance.
- A 10 year agreement was struck for Savant Energy to manage the BHWS and EGN, included replacing the ageing existing BHWS at no cost to the BC or tenants and giving the BC security in maintenance, support and costs.
- Savant Energy provided tenants and owners with a user pays system for heated hot water.
- The agreement gives apartment owners who are renting their apartments, the benefit of having their tenants pay for the gas they consume in the production of hot water.