

Homer Area Case Studies of Buildings to be Converted to Natural Gas: Cost of Conversion Compared to Cost Savings

Cost Projection for 2013

Case Study		1	2	3	4	5	6	7	8	9	10
Structure		House	House	Cabin	House	House	House	House	House	Retail Shop	Office Bldg
Type		2 story	2 Story	1 Story Log	1 Story	2 Story	2 Story	2 Story	2 Story	1 Story	2 Story
Square Feet		2,266	3,980	1,008	1,225	1,672	1,025	2,831	1,832	1,475	7,200
Fuel and Equipment Used		Oil Boiler	Oil Boiler	Oil Space Heater	Oil Furnace	Propane Boiler	Oil Space Heater	Propane Boiler & Space Htr	Oil Furnace	Propane Space Heater	Oil Boiler
2011 Annual Cost for Heat Only				\$ 1,491	\$ 2,544		\$ 2,010		\$ 2,983	\$ 2,036	\$ 6,039
2011 Annual Cost for Heat & Hot Water		\$ 3,437	\$ 4,388			\$ 3,481		\$ 4,900			
Projected Annual Natural Gas Cost		\$ 1,173	\$ 1,497	\$ 509	\$ 781	\$ 746	\$ 687	\$ 1,674	\$ 917	\$ 388	\$ 2,522
Annual Savings		\$ 2,264	\$ 2,891	\$ 982	\$ 1,763	\$ 2,735	\$ 1,323	\$ 3,226	\$ 2,066	\$ 1,648	\$ 3,517
Conversion to Natural Gas Cost		\$ 1,964	\$ 8,547	\$ 2,615	\$ 4,526	\$ 851	\$ 2,258	\$ 2,531	\$ 4,599	\$ 935	\$ 2,226
Service Line & Meter				None: served from house							
		\$ 1,500	\$ 5,600		\$ 1,800	\$ 1,500	\$ 1,900	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500
Total Investment (Excluding Main Extension)		\$ 3,464	\$ 14,147	\$ 2,615	\$ 6,326	\$ 2,351	\$ 4,158	\$ 4,531	\$ 6,099	\$ 2,435	\$ 3,726
<i>Years & Months until 100% Return On Investment</i>		1 Yr 9 Mo	4 Yr 11 Mo	2 Yr 8 Mo	3 Yr 7 Mo	10 Mo	3 Yr 2 Mo	1 Yr 5 Mo	2 Yr 11 Mo	1 Yr 6 Mo	1 Yr 1 Mo

The scenario below represents current estimates in order to show the anticipated main extension cost in the City of Homer.

Conversion costs with the cost of main extensions added

Homer city Main Extensions: Cost per Lot: \$3,285	\$ 6,749	\$ 17,432	\$ 5,900	\$ 9,611	\$ 5,636	\$ 7,443	\$ 7,816	\$ 9,384	\$ 5,720	\$ 7,011
<i>Years & Months until 100% Return On Investment</i>	3 Yr	6 Yr	6 Yr	5 Yr 3 Mo	2 Yr 1 Mo	6 Yr 8 Mo	2 Yr 5 Mo	4 Yr 7 Mo	3 Yr 6 Mo	2 Yr
Notes:	1	2	3	4	5	6	7	8	9	10
Type of Conversion:	Replace Burner Only	Boiler replaced with high Efficiency Unit	Replace Space Heater	Replace Furnace with High Efficiency Unit	Convert Existing	Replace Space Heater	Convert Boiler & Space Heater	Replace Furnace with High Efficiency Unit	Convert Existing Space Heater	Replace Burner Only

Service from street main plus Meter cost for typical house cost is typically \$1498:

\$1290 for the first 100' plus \$2 per foot over 100'

\$333 per Meter Cost minus a credit of \$125.

Case Studies prepared by Bill Smith

Revised 10-15-12

For exact costs for your home or business, consult Enstar Natural Gas and your heating professional.