



CHELSEA GROUP LIMITED

Chelsea Group Awarded Energy Project of the Year

Washington, DC — The Association of Energy Engineers (AEE) awarded George Benda, CEO of Chelsea Group, with the 2016 Energy Project of the Year for Region V at this year's World Energy Engineering Congress (WEEC) in Washington DC on Tuesday, September 20th, 2016.

"For the second year in a row, Chelsea Group has been honored by this prestigious award from the Association of Energy Engineers," said George Benda, CEO of Chelsea Group. "This project represents the fruition of an important team effort that includes Chelsea Group, BlackSand Capital, MMI Realty, and Hawaii Energy, the energy conservation and efficiency program for Hawaii, Honolulu and Maui counties. It shows what good collaboration can do."

Region V includes the states of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah and Washington. Chelsea Group earned this award for their work with BlackSand Capital, the owners of Pearlridge Uptown, for the central plant replacement element of their energy management program. The section of Pearlridge Center included in this project houses TJ Maxx and Ross Dress for Less, among other retail shops and eateries.



The project began in 2014, when Chelsea Group was commissioned by BlackSand Capital to provide a thorough energy audit of the building on the Pearlridge Uptown II property. The audit showed significant opportunity to modernize the aging central plant as well to reduce the overall operating cost of the property, particularly relating to electric utilities.

Chelsea Group was then retained by ownership to design, manage the installation, and commission the replacement of the central plant. At the heart of the project: new advanced technology chillers. The team selected and installed two 210 Ton air cooled magnetically levitated (mag-lev), variable speed chillers manufactured by Smardt.

Chelsea Group also designed and implemented the program for all of the ancillary central plant equipment and added new controls. The chilled water system was upgraded with new variable speed pumps. Piping reconfigurations supported the new, fully variable design.

The property was then upgraded with state-of-the-art technology in direct digital control (DDC) systems, which allows adjustments to the control sequence for the variable flow chillers and pumping. Chelsea Group developed the controls algorithm to operate at optimal efficiency using the DDC controls. This innovative control sequence nearly doubled the energy savings that would have been expected from simple chiller replacement.

Based on the efforts of Chelsea Group, the Pearlridge Center, Uptown II building achieved annual savings of 902,547 kWh. Hawaii Energy provided a substantial rebate for the energy

saved for the central plant project. The property now has a new central plant, with plant operations that are 54% more energy efficient. With incentives, the central plant replacement has a payback of roughly two years. Most important, with this and related investments, Black Sand capital has repositioned the property for a successful future in retail real estate.

Chelsea Group focuses its efforts on the future of existing buildings. The company provides building science consulting and related technology to its clients in Hawaii. Major projects include replacement of mechanical infrastructure, such as chillers, air handlers, and controls systems. Recent projects include work at The Queen's Medical Center, central plant replacement at Waterfront Plaza (Restaurant Row), and efforts in central plant optimization with more than a dozen of the largest commercial and institutional energy users in the State. With a track record of successful performance stretching over more than 25 years, Chelsea Group has proven to be a reliable resource for improving the performance of commercial, institutional, and industrial buildings. The Chelsea team is widely recognized for its thought leadership in sustainable, high performance buildings.

Hawaii Energy is the ratepayer-funded conservation and efficiency program for Hawaii, Honolulu and Maui counties administered by Leidos Engineering, LLC under contract with the Hawaii Public Utilities Commission. The program provides cash rebates and incentives to residents, businesses and organizations to offset the cost of installing energy-efficient measures, which helps them save money on electric bills and reduces the state's dependence on imported oil.

Founded in 2010, BlackSand Capital is a real estate private equity firm distinguished by its integrity, innovation, flexibility, and intimate knowledge of the Hawaii market. It stands out as the only Hawaii-focused real estate private equity fund. BlackSand Capital's strong foundation rises from a family legacy that began with The MacNaughton Group and Kobayashi Group, real estate development firms that have been active in Hawaii for over 70 years.

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ABOUT Chelsea Group

Chelsea Group is a Hawaii-based building science consulting firm specializing in preserving and enhancing the mechanical infrastructure in existing commercial office, institutional, retail, and industrial facilities. For more than 25 years, Chelsea's building scientists and engineers have solved problems and found opportunities that add asset value to these properties. The Chelsea team is widely recognized for its thought leadership in sustainable, high performance buildings.