

9000 Conservation Way Fort Wayne IN 46809 260-478-5667 www.waterfurnace.com

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Editorial Contact:
Jonathan Bishop
Godfrey Public Relations
717-393-3831, ext. 138
jbishop@godfrey.com

City Takes First Step in Unique Geothermal Utility Project 48 structures in Wyandotte, Mich., to feature geothermal heating and cooling

Fort Wayne, IN – Using a \$560,000 Neighborhood Stabilization Grant, the city of Wyandotte, Mich., took the first step in a <u>geothermal</u> project that includes the creation of a geothermal utility and the installation of geothermal heating and cooling systems in 48 structures located in the city.

The project, among the first of its kind in the country, began with the rehabilitation of two houses earlier this year. As the project progresses, Wyandotte will team up with private business to drill ground source wells in utility easements and connect several homes to each well. Tentative plans call for the city's municipal services to cover the average \$8,000 cost for each well and charge home and building owners a monthly service fee and energy charge, based on the capacity of the system installed.

Independent contractors participated in a competitive bid process to win the work of installing geothermal heat pumps in the original two homes and connecting them to the well. The city of Wyandotte awarded the contract to Cappy Heating & Air Conditioning, Inc., Livonia, Mich.

"Our scope of work was to pick up the system from the well and bring piping from the field into the home and out again, making the connections inside the house and performing all the sheet metal and geothermal work inside the home," explained Jeff Caplan, owner of Cappy Heating.

To date, the project has identified 48 installations in the design and planning stage, including 25 new residential installations, 19 retrofit residential installations, three commercial installations and one new 20-unit multi-family development. The utility will likely take several years to develop and will offer substantial savings to homeowners who are able to use its services –

some savings as high as 70 percent compared to a more conventional heating and cooling system. Homeowners can also take advantage of a 30 percent tax credit on the cost of purchasing and installing a geothermal system through 2016, making the system more affordable and providing an even greater return on investment.

A geothermal utility works by circulating water through pipes buried deep in the ground, where temperatures are a constant 54 to 56 degrees. The water is either heated or cooled to a desired temperature, depending on whether it is winter or summer.

Using the earth as a natural energy source, a geothermal system operates more efficiently than ordinary heating and air-conditioning systems, because it can deliver an astounding five units of energy for every one unit of electrical energy used. That translates to a 500 percent efficiency rating.

"In addition to savings, a geothermal system provides precise distribution of comfortable air all year long, eliminating hot and cold spots throughout the home and providing quiet operation," said Caplan. "And it's good for the environment, because it emits no carbon dioxide, carbon monoxide or other greenhouse gases that contribute to environmental air pollution."

In addition, a geothermal system promises years of easy maintenance over an average system lifespan of 24 years -- compared to 15 years for an ordinary system.

Caplan selected the Envision[™] Series heat pump from WaterFurnace International, Inc., a leading manufacturer of residential, commercial, industrial and institutional geothermal and water source heat pumps, to provide heating and cooling to the original homes in the project. Available in seven single-speed sizes and five dual-capacity sizes, Envision units use ozone-safe R-410A refrigerant to meet the most stringent Environmental Protection Agency (EPA) requirements while providing unmatched efficiency, reliability and quiet operation. A sophisticated microprocessor control sequences all components during operation for optimum performance, and provides easy-to-use troubleshooting features with fault lights and on-board diagnostics.

"The Envision Series is the most efficient and quietest geothermal equipment available," said Caplan. "It represents the top of the line and is my first choice as we move forward with this project."

Caplan is happy to be affiliated with the unique geothermal project. "The benefits to individual homeowners and the community in general make this an exciting project," he said. "And by approaching installations in this way, working with the city, people who are interested in being efficient in their heating and cooling can install a geothermal system without incurring the upfront costs associated with drilling. Coupled with the tax credit, it provides an incentive that is hard to ignore."

To learn more about geothermal systems, visit the WaterFurnace website at www.waterfurnace.com.

WaterFurnace International, Inc.

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