

Return on Investment and Payback for an INOV8 Waste Oil Fueled Radiant Heat Boiler

Name: Sample User

Variables to Input	Natural Gas Rate per Therm	\$0.90
	Available Waste Oil Per Year - gallons	1,000
	Type of Oil & estimated BTUs/gal	140,000

Purchase Price of Inov8 Furnace	\$ 5,200
Installation & Accessory Cost (estimated)	\$ 1,200
Energy Rebate	
Total Cost of Installed Boiler System	\$ 6,400
Tax Rate (assumed corporate tax rate)	35%
Tax Deduction	\$ 2,240
Total Cash Outlay - Year of Purchase	\$ 4,160

** Some states offer up to 25% of project cost based on natural gas savings - checkout website "www.dsireusa.org" for your state*

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	
Waste Oil BTUs & Compared to Fuel Oil Price	Gallons of Waste Oil Available per Year	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	Heating Value of Oil (BTU per gallon)	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	
	BTU per year Heating Value	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	
	Cost of Fuel Oil per gallon	\$ 3.50									
	Equivalent Value when compared to Fuel Oil	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Waste Oil vs. Natural Gas	Therms per BTU	100,000	100,000	100,000	100,000	100,000	100,001	100,002	100,003	100,004	
	Available Therms per Year (BTU per year/100,000)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	
	Your Current Cost Per Therm of N/G	\$ 0.90									
	Natural Gas Cost Avoided by Use of INOV8 Water Heater Per Year	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	
Disposal Costs	Disposal Cost/Revenue per Gal of Waste Oil	\$ (0.90)	-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	
	Current Disposal Expense or (Revenue)		-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	-\$900	
Maintenance Costs - estimated		\$100	\$100	\$100	\$100	\$500	\$100	\$100	\$100	\$100	
Note - Every five years refurbishing of burner is recommended		<i>Year of Purchase:</i>	<i>End of Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>	<i>Year 6</i>	<i>Year 7</i>	<i>Year 8</i>	<i>Year 9</i>
Cash Flows			\$2,500	\$2,500	\$2,500	\$2,500	\$2,100	\$2,500	\$2,500	\$2,500	
Accumulated Cash Flows		\$ (4,160)	\$ (1,660.00)	\$ 840.00	\$ 3,340.00	\$ 5,840.00	\$ 7,940.00	\$ 10,440.00	\$ 12,940.00	\$ 15,440.00	\$ 17,940.00

Return on Investment	Payback in Years (Out-of-pocket less heat savings plus maintenance costs)	1.66
	Internal Rate of Return	150%
	Expected Interest Rate of Future Returns	8%
	Net Present Value (considering 20 years)	\$136,593
	Return on Investment over 20 Years	Overall: 963% Per Year: 96%

NOTES

- All yellow blocks can be changed to reflect individual circumstances
- The useable life of the boiler is quite long, but for this purpose 20 years.
- Savings will be even greater if calculating replacement costs of a heating system every 10 years.