

Executive White Paper Series, April 2016

# Case Studies on Cost Reduction: Reducing Energy Spending Up to 50%

# Case Studies

Senior living executives are tasked with pursuing their missions in the face of financial headwinds and an unpredictable market. Some executives are looking to invest in new construction, technology or hiring. Others may be looking to pare back their investments and possibly even their staff in the face of financial pressure. For any of these scenarios, there is significant money to be saved on energy costs.

## Case Study #1: The Bradley Home



The Bradley Home in Meriden, CT

“We’re being bombarded on all sides by increasing costs, so anything we can do to keep costs under control and help us take better care of our residents is welcome news,” said Molly Savard, Administrator with The Bradley Home in Meriden, CT. **The Bradley Home was able to realize \$68,000 savings in their annual operating cost.**

How did they do it?

After a thorough evaluation of energy solutions, The Bradley Home decided on cogeneration, a process where natural gas fuels an industrial engine that turns a generator to produce electricity. The by-product of this process is engine heat that can be recovered, passed through exchangers and used to heat domestic hot water or provide valuable thermal energy for other applications - essentially free.

Healthcare facilities can take control of their energy budgets and benefit from Combined Heat and Power systems (CHP) given the technology’s consistent energy savings, reduced environmental footprint, high runtimes, short paybacks, and often availability of state and utility grants. On average, CHP systems yield a return on investment after three to six years for facilities with 80 or more beds. These sites typically report that savings are used to fund other operational investments as well as employee retention.

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Facilities can take control of their energy budgets and benefit from **Combined Heat and Power systems**

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## Case Study #2: San Simeon By the Sound



San Simeon By the Sound in Greenport, NY

San Simeon By the Sound - Center for Nursing and Rehabilitation, established in 1979, is a 120-bed not-for-profit health care facility operated as an outreach to the community, offers short-term rehabilitation, long term care and adult day care services. **It is projected to have an annual savings of \$42,000 due to their CHP system.** In addition, because CHP is considered an energy efficient technology, the site will also be able to take advantage of a discounted gas rate from National Grid for the natural gas used to fuel the system.

# Conclusion

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“Nursing homes and assisted living facilities are usually a very good fit for CHP systems,” said Joe Hickson, Vice President of Sales and Marketing for Aegis. “They usually have significant thermal loads on a central heating system and a central DHW system that provides heat and hot water to its rooms and residents. Also, many of these facilities use a great deal of electricity for medical equipment, lighting and other technology, and electricity is the free by-product of packaged CHP systems.”

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The best applications are in buildings heated by hot water, domestic water hot, use 60,000+ therms of gas annually, have 80 or more apartments, beds or residents, have one electric and one gas meter, high electric rates, and have an on-site laundry or pool. In addition, these small packaged systems come with maintenance programs and remote monitoring by the equipment manufacturer that does not require on-site maintenance personnel to operate the systems ■

## **About Aegis Energy Services**

Founded in 1985, Aegis Energy Services is a full service Combined Heat and Power developer and installer that utilizes modular systems to reduce both energy costs and emissions for a variety of facilities, from healthcare and assisted living facilities, to recreational and multi-residential complexes, and hotels.

## **About Senior Living 100**

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