

THE BILLION DOLLAR HEALTHCARE GOLDMINE

Discussion Paper
January 2012

Ontario's hospitals can collectively produce around \$100,000,000/year in utility cost savings while collecting a similar one-time amount in utility company incentives. Over the next ten years this redirected cash flow can help renew physical infrastructure while freeing up much-needed funds for front-line healthcare services.

Since 2004 SickKids Hospital has put in place a series of energy conservation initiatives which in 2009 produced close to \$2 million in electricity, steam and water savings. Over the same period Enbridge Gas Distribution has paid \$140,000 in conservation incentives to the hospital based on measured reductions in steam consumption.

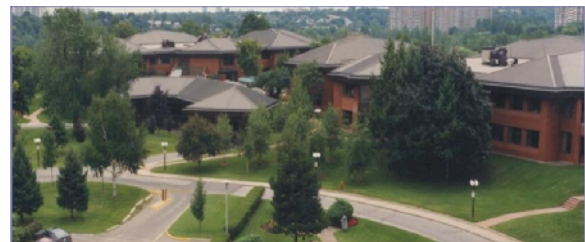


SickKids Hospital, Toronto
\$2,000,000/year in savings and counting

Building on these successes, and capitalizing on new electricity and natural gas conservation incentive programs, SickKids is now beginning the next phase of its program which is forecast to add \$2.2 million in annual savings and earn \$1.5 million in additional incentives.

West Park Healthcare Centre has undergone multiple phases of energy savings projects over the past 25 years and is currently the most energy efficient of its type (based on Greening Health Care benchmarking). The hospital has an established culture of environmentalism grounded in its Environmental Policy, and is committed to continual improvement of its energy and waste performance. West Park was awarded the first Greening Health Care Leadership Award in 2011.

SickKids and West Park are founding members of Greening Health Care, which is the largest collaborative program of its kind in North America. Based in Ontario, and managed by Toronto & Region Conservation, Greening Health Care is now working with more than sixty hospitals across Canada, providing benchmarking, education, resources and monitoring to help improve energy and environmental performance.



West Park Healthcare Centre, Toronto
Most energy efficient hospital of its type

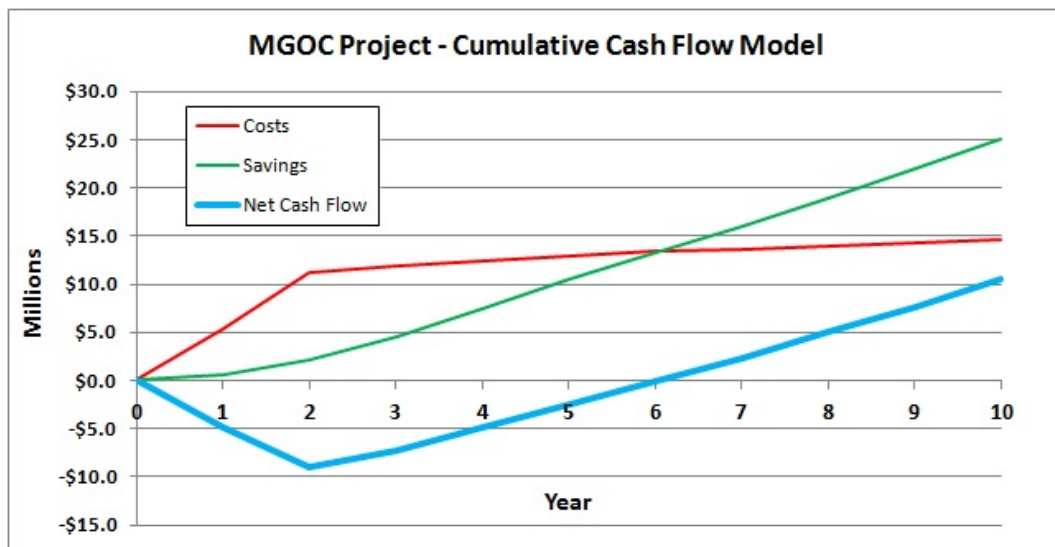
The program's online management system contains the largest dynamic database of hospital energy performance in Canada, and provides metrics and standards which allow each participating hospital to self-assess, set targets and monitor savings over time.

Using Greening Health Care standards and methodology, the MGOC Joint Energy Initiative has recently embarked upon a collaborative project to fully exploit their conservation potential while sharing resources and achieving economies of scale through collaboration. The MGOC project is forecast to produce \$2.2 million in annual savings, obtain \$1.5 million in utility company incentives, and deliver millions of dollars in net positive cash flow over ten years.

The MGOC collaborative comprises Muskoka Algonquin Healthcare, Georgian Bay General Hospital, Orillia Soldiers' Memorial Hospital and Collingwood General and Marine Hospital, all part of the North Simcoe Muskoka LHIN.

The MGOC initiative is readily replicable and scalable for every region and every hospital in Ontario.

The associated, self-funded province-wide investment of several hundred million dollars in energy efficiency products and services can create new green jobs across the province, and provide a positive environment for Ontario businesses able to export expertise and technology to other parts of North America and around the world.



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