

Kindred Healthcare, Inc.

Kindred Healthcare, Inc. is a healthcare services company that operates long-term care hospitals, nursing centers and a contract rehabilitation services business through its subsidiaries across the United States. The company's headquarters in Louisville, Kentucky has more than 1,000 full-time employees and an on-site cafeteria. It houses a 50,000 square-foot data center with over 1,500 servers, providing data backup for all Kindred sites across the country.

Opportunities Identified

KPPC – Kentucky Pollution Prevention Center began working with Kindred Healthcare in June 2009, focusing on opportunities to reduce energy usage and solid waste generation. Through a utility bill analysis, a facility-wide plug-load “treasure hunt” and on-site assessments, KPPC identified six energy management opportunities:

- Implement an Energy Management Program
- Replace Storage Water Heaters
- Install Premium Efficiency Motors
- Install Variable Speed Drives on Cooling Towers
- Install Computer Management Software
- Install Variable Speed Drives on Applicable Air Handler Units

When implemented, these actions could save the company \$101,000 per year, while reducing its annual energy usage by 7,390 MMBtu. The investment costs range from \$0 to \$157,000 with up to a 3.7 year payback.

Projects Implemented

As of June 2011, Kindred Healthcare had implemented the following energy-related projects.

- Developed and adopted an energy policy and an energy management plan
- Used ENERGY STAR Portfolio Manager to track energy consumption and savings
- Conducted energy assessments of individual workstations; reduced plug-load
- Implemented lighting controls and conducted re-lamping program to change incandescents to CFLs and convert to 28-Watt CFLs from 32-Watt
- Converted to high efficiency LED exit signs; used Building Automation System to turn off overhead lights by 9:00 p.m.
- Installed white/reflective roofs on building
- Installed submetering on incoming electric meters to monitor peak loads in the building automation system

In addition, KPPC engineers continue to work with the Sustainability Think Tank formed by Kindred Healthcare employees, providing technical expertise and third-party input as the company evaluates and implements energy projects.

“The initiation of Kindred's relationship with KPPC was the most critical step in our energy conservation efforts. KPPC engineers made themselves available for every aspect of our process. Their energy audits were thorough and well-documented. The final reports included Energy Savings Opportunities and information that enabled us to make good decisions regarding our energy improvements. They not only delivered information and recommendations; they attended our energy committee meetings and participated in our energy savings activities. The staff at KPPC is knowledgeable, professional and responsive to their customer's needs. They are great partners who have bent over backwards to help us be successful in the energy conservation area. I recommend KPPC to my colleagues at every opportunity.”

*Stephanie Warren
Sr. Director, Corporate Facility Management*



Tom Skaggs and Stephanie Warren (center) accepted the KY SEN recognition award from University of Louisville President Jim Ramsey (left) and Energy and Environment Cabinet Secretary Len Peters (right) in October 2010.

Achievements in Energy Management

As part of its environmental sustainability services, KPPC's Kentucky Save Energy Now (KY SEN) initiative helps industrial and commercial facilities build self-sustaining energy-savings programs using ENERGY STAR's seven-step energy management process. The goal is to reduce energy use in these facilities by 2.5 percent per year for 10 years.

**KENTUCKY
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Through KY SEN, KPPC offers assessments, training, technology demonstrations, assistance with identifying project implementation resources and recognition of achievements. As participants successfully establish their energy management process, they progress through KY SEN's five levels of achievement and recognition:

ress through KY SEN's five levels of achievement and recognition:

- Level 1 – Sign the KY SEN pledge and develop an energy use baseline.
- Level 2 – Institute an energy management policy, establish a cross-functional energy team and attend energy management training.
- Level 3 – Assess operations for energy saving opportunities and develop an energy action plan for saving at least 2.5 percent/year.
- Level 4 – Implement an energy action plan and evaluate progress of the energy management program.
- Level 5 – Develop an internal recognition program and mentor other KY SEN participants.

Kindred Healthcare was the first company to sign the KY SEN pledge in 2010. With a strong commitment from company leadership and a dedicated employee-driven sustainability team, the company has made consistent progress toward its energy-use reduction goal, and has reached level-four in the KY SEN recognition program.

Commitment to Sustainability

In addition to the energy-related sustainability projects undertaken at the company's downtown Louisville headquarters facility, Kindred has introduced a full line of eco-products at its on-site cafeteria, replacing "to go" containers, cups and packaging with 100 percent biodegradable, compostable, plant-based plastic products. The company also instituted an extensive facility-wide recycling program and established an annual Commuter Challenge, urging employees to bike, walk, take the bus or carpool to work.

In September 2010, KPPC presented Kindred Healthcare with one of its annual Environmental Sustainability Awards, which recognizes KPPC client companies that demonstrate their commitment to the principles of sustainability.



Kindred Healthcare team members accepting the 2010 KPPC Environmental Sustainability Award.



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