

Sumner Regional Medical Center

Wellington, Kan.



Customer benefits

- Guaranteed savings.
- Reduced energy consumption and costs.
- Improved comfort.
- Reliable systems and full redundancy.
- Peace of mind.

Project at a glance

Location:

Wellington, Kan.

Facility

Two-story building (120,000 sq.ft.)

Project Type:

Fifteen-year performance contract

Funding

Wellington Public Building Commission

Equipment installed

- Cooling tower, chiller, and chilled water pumps
- Domestic hot water tank
- Central plant piping
- A/C unit for server room
- Control system additions/modifications
- Lighting retrofit in physicians' offices

Projected annual savings

\$104,575

Expected payback

10.76 years

Installation

December 2010



Hospital decision makers quickly discovered how a performance contract from Schneider Electric™ could fund a comprehensive facility improvement project — even during a budget crunch.

The Challenge

Founded in the early 1870s, the city of Wellington occupies almost six square miles in the prairie plains of south central Kansas. Often referred to as the Wheat Capital of the World, the city is also home to a 80-bed hospital, Sumner Regional Medical Center (SRMC).

Located just 30 minutes from Wichita, SRMC is the largest hospital between the Oklahoma border and Wichita, making this facility a critical resource in this area. This regional medical center provides inpatient, outpatient, and emergency care to more than 15 communities in the surrounding area.

By 2009, SRMC faced growing concerns that its aging cooling equipment would not survive another summer with numerous days of triple-digit temperatures.

The original cooling tower from the 1960s had long surpassed its useful life. Although the original facility design had called for two chillers, only one undersized chiller was in operation. Without a backup, the hospital would have to close if the aging system failed.

SRMC also had to contend with increasing costs to maintain the cooling system, as well as extremely high utility consumption for a facility of its size. But with a budget stretched to its limit, capital reserves were unavailable to pay up front for facility improvements.

“Everyone involved clearly demonstrated a willingness to listen to our unique needs and desires, and worked to make the project match what we truly wanted...We now have peace of mind that our hospital is operating under optimal conditions during the cooling season.”

Robert H. Bean, Ph.D.
President and CEO, SRMC

Annual environmental equivalents

Reducing CO ₂ emissions	664 tons
Removing autos from roadways	146 cars
Planting trees to balance the ecosystem	199 acres
Saving electricity	750,163 kWh

The Schneider Electric team collaborated with the facilities staff to design the new chilled water system, manage implementation of all upgrades and ensure continuity in daily operations. Sometimes that meant working at night and on weekends to install the new systems and capabilities.

Achieving the desired results involved replacing the cooling system and related components to ensure employee and patient comfort. The new chiller provides the correct capacity for a facility this size, and the former chiller now serves as a backup.

Other improvements included leveraging the hospital's investment by adding control points to the existing system, installing a more efficient domestic hot water storage system, and upgrading the air conditioning unit in the IT server room.

The performance contract also called for replacing the lighting in an attached building with physicians' offices to increase operating efficiency and lower energy costs. For instance, Schneider Electric replaced inefficient lighting and magnetic ballasts with more energy-efficient bulbs and electronic ballasts to bring lighting conditions up to required standards. Instant-strike capabilities also eliminate flickering and buzzing in the fixtures.

SRMC will also achieve enduring performance improvements through the Schneider Electric Performance Assurance Support Services (PASS) offering. PASS provides remote monitoring and technical support, as well as a complete analysis and reporting of energy use, guaranteeing energy savings and project performance after the initial installation.

The Bottom Line

The performance contract provided a financing vehicle that enabled SRMC to proactively address its issues immediately. In less than a year after completing the project, SRMC began to realize the benefits of improved energy efficiency, operations, and comfort levels.

Schneider Electric guarantees that SRMC will reduce its utility and maintenance costs by approximately \$1.6 million over 15 years, covering the cost and debt service of the total project. More important, Schneider Electric guarantees the annual energy savings over the term of the contract and will pay the difference if SRMC does not realize those savings.

The City of Wellington owns SRMC, enabling the hospital to take advantage of low-interest financing through a Public Building Commission formed by the city.

The hospital board turned for assistance to the state's Facility Conservation Improvement Program (FCIP). This streamlined program helps public agencies access financing for planning and implementing energy projects quickly and easily through performance contracting.

A performance contract uses energy and maintenance savings to help offset the cost of financing improvements over several years. It also offers long-term benefits such as improved facility efficiency, occupant comfort, system reliability, financial management, and environmental protection.

SRMC decision makers interviewed three energy service companies (ESCOs) from the state's preapproved list of vendors. Ultimately, SRMC chose Schneider Electric to implement the performance contract because of its expertise and successful experience working with healthcare facilities to achieve targeted goals.

Schneider Electric faced a variety of challenges on this project — from completing the project in a facility occupied 24/7 ... to fast-tracking the project to ensure the hospital was prepared to handle the next major cooling season.

The Solution

After conducting a thorough audit of hospital facilities and systems, Schneider Electric analyzed the results and recommended that SRMC replace certain equipment and add some new capabilities. Then Schneider Electric tailored a plan to meet SRMC's specific needs, as well as its budget.

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