

Presbyterian Senior Living (PSL)

ABM Energy

At the height of the recent economic downturn, Glen Meadows Retirement Community, owned by Presbyterian Senior Living (PSL), experienced a 30% reduction in 'move-in' clients, which led CFO Jeff Davis to look for cost cutting measures anywhere possible.

Already having been forced to lay off 130 of the senior living provider's nearly 3,000 employees nationwide, Davis knew he needed to find a creative alternative to cutting additional labor.

As he was channel surfing one day, Davis came across a documentary on the world's future energy challenges. The program spawned the idea for PSL to create its own 'green' committee, and one of the initial ideas from that committee was to utilize solar energy at certain sites. Looking back, Davis now wishes PSL had begun its commitment to cutting energy consumption years ago.

CHALLENGE

The national senior living facility needed innovative measures to cut costs in the face of a \$3 million drop in revenue.

SOLUTION

PSL chose to execute a solar Power Purchase Agreement (PPA) and turned to ABM to provide the following:

- Re-design and value engineering of the solar array to bring costs down and increase power production

- A financial solution to make the project feasible – including tax equity and SREC off-taker
- Bankable Engineering, Procurement and Construction (EPC) services
- Installation of a 4,150 panel array across 6.5 acres of land - the largest solar array in the Baltimore metro area
- Ongoing Operations and Maintenance

BENEFIT

Significant reduction of PSL's energy spend through fixed, low-cost rates over the life of a 20-year agreement:

- Expected savings = \$700,000
- Demand for electricity created by coal and natural gas expected to be reduced by 1.5 million kilowatt hours (kWh) per year.
- Improved community and resident satisfaction; significant environmental impact

The sustainability model is particularly beneficial to non-profit operators like PSL versus new construction, Davis said. "Unlike a developer, we have done business in some locations for 100 years. The concept of long-term sustainability is even more important and a huge value-add in terms of community and resident satisfaction."

"If we had started the green programs we have initiated in the past few years much sooner, I believe the cost savings would have helped us to get through a period of lower revenue without letting people go."
– Jeff Davis,
CFO of PSL



Ted O'Shea, VP
ABM Energy
1725 Duke Street, Ste. 650
Alexandria, VA 22314
Office 703.739.7690
Mobile 202.308.1717
ted.oshea@abm.com
abm.com/solar