

# Renewable electricity procurement

A critical component of a healthy energy strategy for health care institutions



Procuring renewable energy is a highly impactful step your institution can take to reduce negative health impacts associated with your carbon footprint. The cost of renewable energy sources has fallen dramatically in recent years, making a shift to renewables simpler and more cost-effective.

## The opportunity

Hospitals are energy-intensive, using 2.5 times more energy per square foot than a typical office building. The burning of fossil fuels drives both air pollution and climate change, with outdoor air pollution killing over [4.5 million people](#) each year globally. Renewable electricity can replace power from fossil fuels – improving health, reducing climate impacts, and potentially reducing energy costs and price risks.

A 30% reduction in the U.S. health care system's electricity consumption by 2030 would prevent an estimated 4,130 premature deaths, 85,000 asthma attacks, 4 million respiratory symptom events, 3,750 hospital visit incidents, and save around \$1.2 billion in medical costs.

Hospitals and health systems globally are investing in clean, renewable energy to protect the health of their patients and the communities they serve, attract and retain top-tier talent, increase their operational resilience to natural disasters, and often reduce energy costs and price volatility.

Over the last decade, the [price of renewables has fallen](#) below the cost of coal and is forecasted to beat fossil fuels by ever-larger margins for decades to come. Distributed renewable energy plus storage can help hospitals remain operational during extreme weather events or periods of peak demand.

Smart energy buyers are developing clean energy portfolios that combine strategies, such as onsite solar and storage, large-scale off-site renewable energy deals, community solar, utility green energy programs, and Renewable Energy Certificate (REC) purchases, to meet their energy needs and financial goals while advancing their public health mission and mitigating climate change.

## Getting started

**1: Think local.** Explore the feasibility of on-site and community-based renewable resources, such as solar and storage that can reduce energy costs and demand charges, as well as make a local impact and a visible statement of your institution's commitment to a clean-energy future.

**2: Go big.** Learn more about large-scale, off-site renewable energy procurement options available in your area, including Power Purchase Agreements (PPAs), Virtual Power Purchase Agreements (VPPAs), and Utility Green Energy Offerings (Green Tariffs).

**3: Bring your friends.** Explore partnerships to multiply the impact and reduce the cost of your renewable energy purchases. Aggregation deals and community solar can leverage your institution's market power to open up renewable energy access to partners, suppliers, and the communities you serve.

## How Practice Greenhealth can help

The Practice Greenhealth [website](#) provides a wealth of resources for our network partners, and our sustainability specialists may provide more personalized support on [renewable energy](#). A sample of these additional resources include:

- How to make the business case for transitioning to renewable energy.
- How you can use your renewable energy procurement strategy to drive positive local environmental and economic impacts.

## Success story

In January 2019, Rochester Regional Health, a five-hospital system located in upstate New York, announced a goal to use 100% renewable electricity by 2025. Since announcing the goal, Rochester Regional installed on-site solar that generates 450,000 kWh electricity annually, supplying enough power for 20 blood draw labs, and signed a power purchase agreement for electricity from a new solar farm that generates over 5,000,000 kWh annually, enough to power 120 medical practices and support facilities. The on-site solar had a return on investment in less than four years, and the off-site installation had no capital outlay and provided immediate cost savings.

**Let Practice Greenhealth help you lead change in your hospital. To get started today, email [join@practicegreenhealth.org](mailto:join@practicegreenhealth.org).**