

Greening the Dirty Laundry in Northern California

Environmental and Human Health Impact: 67 percent of Northern California laundry now requires 28 percent less electricity, 12 percent less natural gas, and 38 percent less water. Annual savings are 541,975 kilowatts/yr, 71,077 therms of gas/yr, and a whopping 12,172,240 gallons of water/yr.

Business Impact: No financial impact to Kaiser Permanente

Challenge

In 2009, our Northern California (NCAL) supplier laundered 17.1 million pounds of Kaiser Permanente's soiled linen in at two different plants (Turlock and Sacramento). In 2010, 17.6 million pounds were laundered at three different plants (Turlock, Sacramento and Pittsburg). 17.6 million pounds represents 77 percent NCAL's total laundry volume. **In order to have better control and improve quality and service, KP wanted all laundry processed at single facility. In doing so, KP also asked that the plant have resource efficient operations.**

Aim/Goal

- Consolidate laundry processing into supplier's Pittsburg plant
- Achieve better quality control
- Improve customer service
- Deliver environmentally preferable purchasing through reduction in water, natural gas and electricity consumption

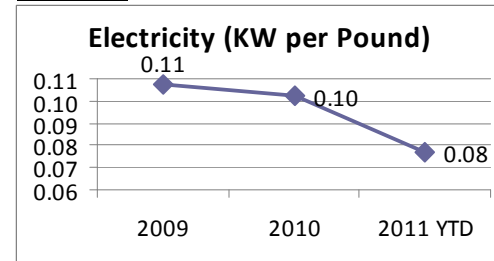
Team

Danny Sim, Sourcing Manager, Procurement & Supply
 Reid Moran Haywood, Senior Project Manager, NCAL Product Support Team, Procurement & Supply
 Karin Engelman, Regional Manager, NCAL Product Support, Procurement & Supply

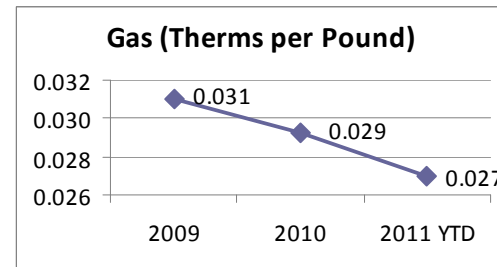
Actions Taken

- ✓ In early 2010, supplier and KP jointly assessed Angelica's plants in NCAL and determined that the Pittsburg plant will be ideal to meet KP's goals – good location, has capacity to expand, efficient equipments.
- ✓ All linens processed at supplier's Turlock facility moved to Pittsburg in late June 2010.
- ✓ All linens processed at supplier's Sacramento facility moved to Pittsburg in late November, 2010.
- ✓ **Consolidation resulted in optimization of wash loads, thereby improving operation efficiencies.**

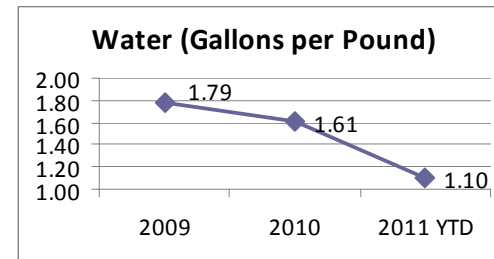
Results



28 percent reduction or 541,975 kw/yr



12 percent reduction or 71,077 therms/yr



38 percent reduction or 12,172,240 gal/yr

Lessons Learned

- ✓ **It's always worthwhile to engage vendors early.**
- ✓ Though the plan was implemented successfully, gathering data on was not easy. Project leads need to work with vendors aggressively to get the data needed.

Next Steps

- ✓ Improve efficiency of remaining NCAL laundry by end of 2012.
- ✓ Work with SCAL stakeholders and vendors to develop a strategy for bringing more efficiency to SCAL laundry by end of 2013.