

CASE STUDY

Healthpeak Properties Continuing Care Retirement Communities

Expert energy cost guidance and provided annual cost savings budgetary certainty.

CHALLENGE

Healthpeak Properties, Inc. owns 15 CCRC across the United States who was seeking to control energy costs at their communities. Each community was exposed to market volatility, subject to budget-busting prices for the supply of electricity or natural gas. Many of the communities reside in deregulated energy markets in which the electric or natural gas utility allowed for third-party energy supply. Typically third party energy supply allows for more competition and lowers energy costs for ratepayers. Healthpeak's operator partner LCS, helped introduce Titan Energy, a national energy management company who shares the goal of maintaining efficient and innovative energy.

APPROACH & SOLUTION

Titan Energy evaluated the Healthpeak communities natural gas and electricity bills and establish a solid baseline understanding of the available suppliers and utility programs, usage and demand profiles of each community and potential for aggregating usage to drive down bidding suppliers rates.

Taking advantage of a record low natural gas market in the summer of 2023, Titan Energy locked in over \$1.14 million dollars of energy supply spend with contracts starting to flow in the winter of 2023. By locking in at the advised time, Healthpeak was able to save \$421,487 in one year. The communities have a set price for energy supply for the next 2 years and will be advised by Titan Energy on opportune market dips to extend contract savings.

In terms of contract management, Titan Energy lined up each community's start date and end dates and helped negotiate corporate-approved contracts with optimal terms. Tracking ongoing energy consumption and costs allowed management to make informed decisions on business divisions operations. Titan delivered ongoing budgetary certainty far beyond the best efforts produced by the client acting alone.

RESULTS

Continuing Care Retirement Communities

Healthpeak Owner, LCS Operator

Services Performed: Energy Procurement

- Over 50,000 dekatherms of natural gas
- Over 6.5 Million kilowatt hours of electricity
- Energy costs = \$1,338 Million dollars of energy spend (supply), \$3.6 Million dollars of total energy spend
- Savings \$421,487 in year one
- Number of suppliers bidding on power - 3 to 7 suppliers
- 6 locations located in municipal power districts
- 7 communities located in deregulated natural gas markets
- 1 community located in deregulated electricity market

ENERGY SPEND BY MONTH

\$421,487 Savings

