

Envision

Gundersen Lutheran's energy plan is providing leadership for the healthcare industry on a journey to demonstrate that "green" is a healthy, socially responsible and economically beneficial strategy. Our specific plans turn good intentions and "green" rhetoric into action.

- We will meet 100 percent of our energy needs for our facilities by 2014 by improving energy efficiency and creating renewable energy.
- We will commit to environmentally and economically sustainable business practices such as LEED certification of new buildings.
- We will partner with communities to encourage sustainable economic growth and development as well as provide national leadership in renewable energy and energy efficiency programs.
- We will use our Envision program as a tool to reduce the cost of care for our patients.

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Transforming Healthcare: Environmental Stewardship

Gundersen Lutheran's energy plan, called Envision, is a model for healthcare providers nationwide. We are developing a portfolio of innovative energy projects designed to lower costs and lead the industry in environmental stewardship.

Healthcare systems nationwide are looking for innovative ways to save on energy costs. According to the U.S. Department of Energy, the nation's 8,000 hospitals are among the most energy-intensive commercial buildings with more than 2.5 times the energy intensity and carbon dioxide emissions of commercial office buildings. With U.S. hospitals spending more than \$5 billion on energy costs annually, finding solutions to rising energy costs has become critically important.

Gundersen Lutheran is proving there are sustainable approaches to energy utilization that go hand-in-hand with solid financial business decisions. Our specific plans turn good intentions and "green" theory into action.

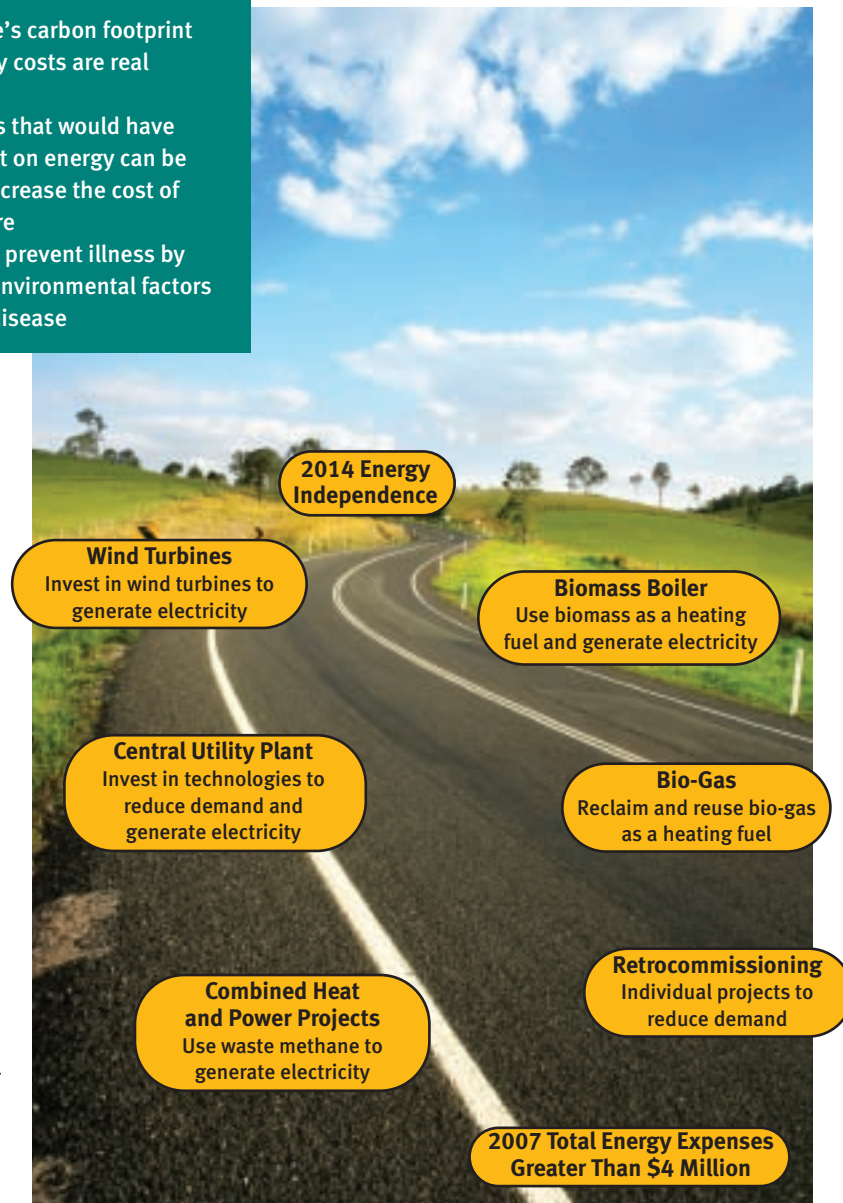
Gundersen Lutheran is developing our own energy infrastructure, using equipment owned by Gundersen Lutheran, rather than simply buying renewable energy credits. This is a demonstration of our commitment to lowering the cost of healthcare for the people and businesses that pay for it.

The rising cost of healthcare dominates the national agenda. Gundersen Lutheran believes part of the answer lies in finding solutions to our rapidly rising energy costs. When we reduce energy and waste management costs, we save money for our patients and preserve the valuable resources of our community. At Gundersen Lutheran, our passion is healthcare; our promise is to deliver our exceptional care in an environmentally and economically sustainable system.

Why be a leader in energy for healthcare?

- Our patients and communities want it
- Healthcare's carbon footprint and energy costs are real problems
- The dollars that would have been spent on energy can be used to decrease the cost of patient care
- It will help prevent illness by reducing environmental factors linked to disease

Gundersen Lutheran's Road to Energy Independence



Building an Environmental Mindset

Business decisions at Gundersen Lutheran are consistently made with the environment in mind, from a fleet of hybrid cars to the selection of energy efficient medical equipment and replacement of inefficient equipment with energy-saving models.

The key elements in Gundersen Lutheran's multi-faceted approach to environmental stewardship include:

- Energy reduction
- Building design
- Renewable energy
- Waste management and recycling

Energy Reduction

Energy costs are climbing at alarming rates. Not including campus growth, Gundersen Lutheran's energy costs are increasing at a rate of more than \$350,000 per year. That makes energy reduction a top priority. To meet our goal of being 100 percent energy neutral, meaning we'll produce as much renewable energy as we use, we are engaging in energy efficiency programs and smart business strategies. Gundersen Lutheran uses energy effective practices along with energy-efficient equipment, medical technologies, office supplies and building materials to improve the performance of our facilities.

Gundersen Lutheran completed a comprehensive energy audit at the La Crosse campus. Using those findings, Gundersen Lutheran teamed up with Focus on Energy and other outside engineering consultants to perform retrocommissioning at our La Crosse and Onalaska campuses. The retrocommissioning

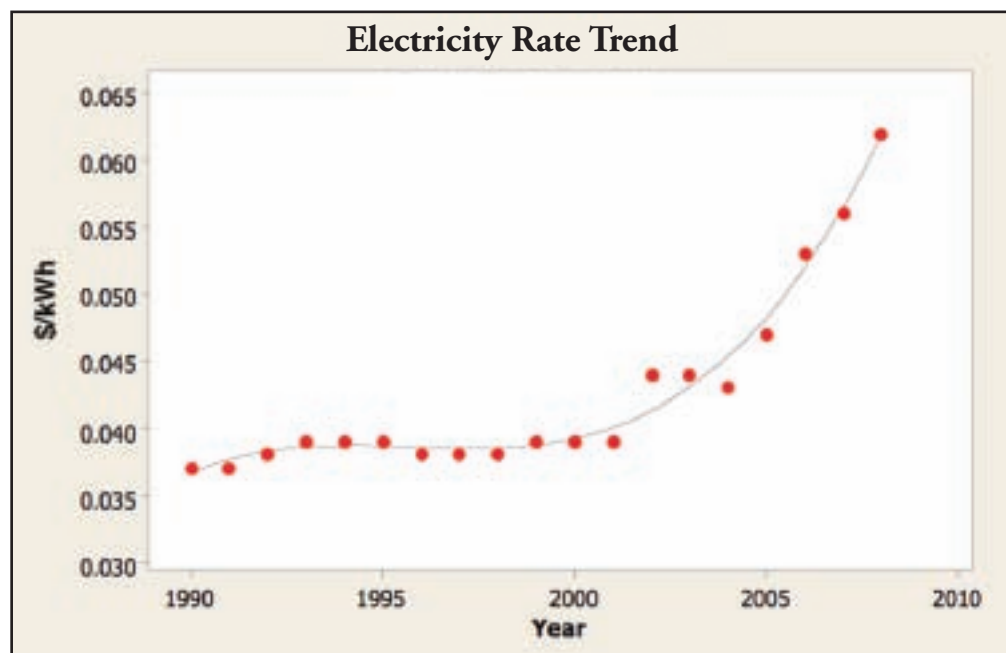
process examines heating and cooling systems, lighting and employee behavior and uses low-cost or no-cost measures to improve efficiency and reduce energy demand. The process will help us achieve a 20 percent reduction in our energy use and more than \$800,000 in annual savings. Retrocommissioning efforts are already underway. By the end of 2008, Gundersen Lutheran achieved more than \$400,000 in annualized benefits through retrocommissioning.

Building Design

As part of our efficiency efforts, new buildings at Gundersen Lutheran will be designed with the environment in mind.

- Our smart buildings will combine the highest efficiency equipment with environmentally friendly materials and site layout to create a safer, more peaceful healing environment.
- Our new critical care hospital will incorporate healing elements such as noise reduction and a system for maximizing natural light.
- Facilities will be designed energy friendly, utilizing features like low-flow plumbing fixtures, and high-efficiency heating, ventilation and cooling systems.
- All future new construction at Gundersen Lutheran will be LEED certified.

- Retrocommissioning will yield \$800,000 in annualized benefits when the project is complete
- Two chillers were recently replaced saving 525,000 kW hours per year
- Gundersen Lutheran is saving 16 million gallons of water per year by converting CT scanners from water-cooled to glycol-cooled models



Renewable Energy

Gundersen Lutheran is committed to long-term investments in renewable energy projects—such as biofuels, wind and solar power—that will enable us to power our buildings with clean renewable resources.

To reach our goal of being energy neutral by 2014, renewable energy production must approach 200 million cubic feet of natural gas and 40 million kW hours of electricity. Our portfolio of projects will utilize renewable power opportunities available through partnerships with municipalities, utility companies and businesses to meet all of our energy needs.

Gundersen Lutheran's energy plan includes a combined heat and power (CHP) project that uses waste methane discharged from the La Crosse City Brewery and turns it into electricity. The project is set to begin in early 2009. When complete it is expected to generate five million kW hours per year, approximately 12 percent of the energy used on Gundersen Lutheran's La Crosse campus. That's equivalent to planting 1,487 acres of forest or removing 1,048 cars from the road.

Gundersen Lutheran has also invested in solar power. Gundersen Lutheran's new LEED certified underground parking garage uses solar panels to help power the structure.

With a fluid plan and model in place, Gundersen Lutheran will be able to implement new technology when it becomes available.

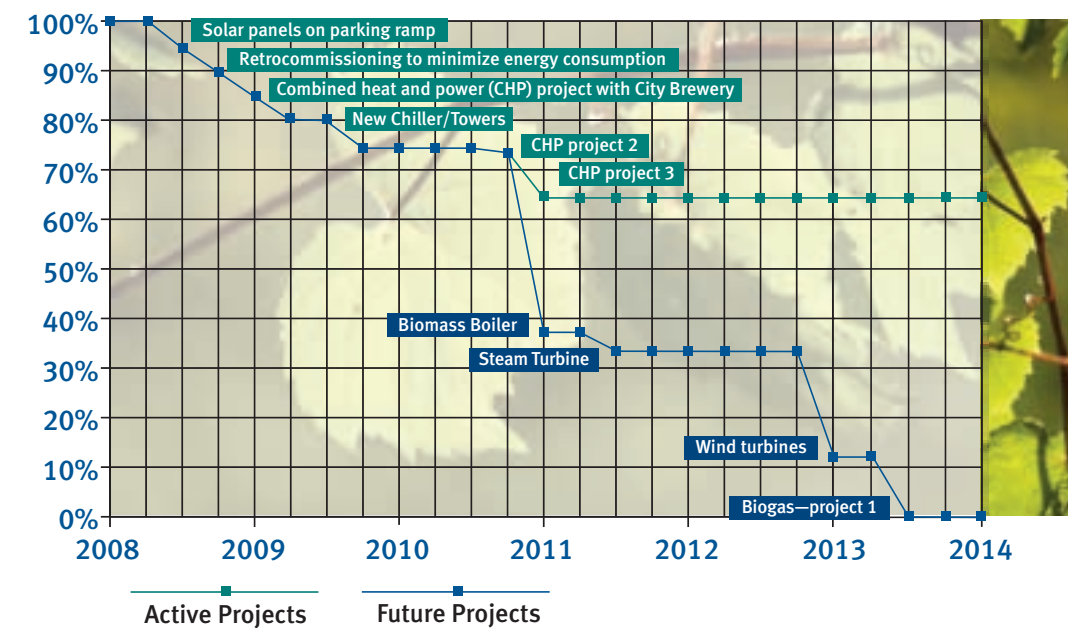
Waste Management and Recycling

At Gundersen Lutheran, the idea of waste management is to control the waste process from the purchase of equipment to distribution in landfills. Our waste management program incorporates recycling and reduction as well as waste planning and control. We are exploring innovative waste technology to make waste handling safer and more effective. This strategy ensures chemicals, medicines and other toxins do not end up in lakes, streams or community drinking water.

Recycling is a philosophy that goes beyond paper, plastics and aluminum. As part of an impressive 29 percent recycling rate, Gundersen Lutheran has:

- Recycled 2.1 million pounds of concrete, brick, block and asphalt, reclaimed copper, and used other reusable materials on construction projects over the last three years.
- Recycled more than 260 tons of paper, enough to replenish 4,400 trees, in just one year.
- Made changes in waste management for paper recycling that has turned a disposal expense into a revenue source.
- 23 percent of contracted office supplies made from recycled materials.

Becoming Energy Neutral at Gundersen Lutheran



Gundersen Lutheran is implementing a number of projects to meet 100 percent of our energy needs for our facilities by 2014. The projects will create renewable energy and improve energy efficiency. The environmental plan will evolve and change as we learn more about the technologies that are available.