

***SUCCESS STORY:*** Elk Regional Health System's Biomass Project Off to a Good Start

***Outline of Need:*** This rural acute care hospital and long-term care facility was looking for a way to reduce its heating and cooling energy costs.



***How Rural Development Helped:*** Elk Regional Health System found the answer when it received a \$300,000 Community Facilities loan from USDA Rural Development to be used towards the new 16 million BTU combustion biomass energy heating system. Additional funds for the project included a Pennsylvania

Energy Development Authority Grant in the amount of \$500,000 and a USDA Forest Service Woody Biomass Utilization Grant in the amount of \$250,000. A second Community Facilities loan for \$1,475,000 was awarded by Rural Development to fund a new maintenance building and boiler house that accommodates the new energy heating system.

***The Results:*** Elk Regional Health System of St. Marys, PA reports a significant energy savings since its biomass converter came on-line on January 15, 2008. In the first seven weeks, Elk Regional saved at least two-thirds of its normal fuel costs thanks to the alternative fuel biomass project that burns locally-provided wood bi-products.