

Future proofed: Electrifying retirement living and aged care

Across Bupa New Zealand's (Bupa NZ) network of retirement villages and care homes, the organisation is systematically replacing gas-powered infrastructure with electric alternatives and building solar generation capacity.

Changing gas hot water boilers, kitchen and laundry appliances to electric alternatives is turning a long-term decarbonisation commitment into measurable, on-the-ground results. The programme is a blueprint for how organisations can move decisively from ambition to action.

A strategy built for the long game

Bupa NZ's decarbonisation programme launched in 2023, anchored to a clear destination: contributing to Bupa Group's goal of becoming a net zero business by 2040. But rather than treating that target as a distant obligation, Bupa NZ used it as a catalyst to fundamentally rethink how energy flows through its entire portfolio.

The timing was deliberate. Bupa NZ's decarbonisation ambitions were the primary driver, while some ageing infrastructure and the imperative for more resilient facilities reinforced the case for change. Rather than replacing equipment like-for-like, Bupa made a strategic call to use every infrastructure renewal as an opportunity to electrify.

The organisation had already laid important groundwork, sourcing 100% renewable electricity since 2020. That decision meant every gas system converted to electric would deliver real, immediate emissions reductions.

Since May 2021, Bupa NZ has sourced all its power from Ecotricity, an electricity retailer that provides 100% renewable power generated exclusively from wind, hydro, and solar sources and is Toitū climate-positive certified.

Targeting the biggest lever first

Following feasibility work with energy consultants, Bupa NZ identified domestic hot water systems as the highest-impact entry point for electrification. Care Homes are major consumers of gas and a category where high-efficiency heat pump technology offers a proven alternative.

Since early 2024, Bupa NZ has replaced gas hot water systems at sites across the country, and nearly half of its care homes now have electric hot water systems. At several sites, the programme went further, pulling out gas-powered kitchen and laundry equipment as part of a comprehensive electrification sweep.

Every project has been sequenced by asset age, energy costs, electrical infrastructure capacity, and overall programme economics.

Results that speak for themselves

The numbers are already compelling. Across four sites where replacement electric equipment has been running for a full year, annual emissions reductions reached approximately 255 tonnes of CO₂e at the end of 2025, exceeding the original forecast of 220 tonnes reduction.

Individual sites are achieving annual reductions of between 30 – 134 tonnes of CO₂e. Across five sites that completed gas conversions by the end of 2025, gas consumption dropped by a cumulative 60%, equivalent to around 1.5 GWh of energy.

At Parkstone in Christchurch, where Bupa NZ has completed a full transition away from gas across its building operations, annual energy costs have dropped approximately 16% compared with a business-as-usual scenario, noting that it isn't possible to rule out other variables like weather, operational behaviour and occupancy contributing to this outcome. As more operational data accumulates across the portfolio, those savings should become more compelling and further demonstrate the feasibility of not only electrifying new developments but also retrofitting older facilities.

Apart from the numbers, the programme also supports care settings with more stable hot water and essential services, reducing exposure to gas market volatility, and helping future-proof essential site services.



Part of the solar array installed on the Merrivale Retirement Village in Whangarei

Solar: accelerating the transition

Complementing electrification is solar power.

In early 2026, Bupa NZ installed 566 kW of solar photovoltaic capacity across five sites in Whangārei, Thames, Palmerston North and Cambridge. The systems are forecast to deliver more than \$100,000 in annual energy cost savings and have payback periods of between six and eight years

In just the first four months of operation, they generated nearly 200,000 kWh of electricity and delivered financial savings in the tens of thousands. More than 92% of the electricity generated is consumed on-site, with the rest exported to the grid. At the five combined sites, solar power systems covered approximately 39% of electricity costs in February and 31% in March.

Bupa NZ has also built flexibility into the programme from the outset, selecting inverters capable of integrating battery storage. Battery systems are now being planned for sites most exposed to power outages and extreme weather to help ensure critical services aren't interrupted during power disruptions.

Navigating complexity with confidence

Bupa NZ is clear about the challenges involved in a programme of this scale and has met these by evolving its approach. Electrification carries higher upfront costs than like-for-like replacements with electric heat pump systems running to around three times the cost of a gas equivalent. Electrical infrastructure upgrades, including switchboards and transformers, add lead times, cost and complexity too. And solar installations require careful assessment of roof condition, building suitability and inverter placement.

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Bupa NZ has met these challenges with smart programme design. By aligning electrification with natural asset replacement cycles, the organisation has strengthened business cases and minimised disruption. As the programme has scaled, bulk purchasing of heat pump systems and dedicated programme management have driven efficiency and consistency across sites.

Where Bupa NZ is headed

Following the first two years of electrifying gas assets at existing sites in 2024 and 2025, Bupa NZ was well placed to respond to growing gas market volatility by accelerating investment in 2026. The aim now is to double the pace of rollout and remove all natural gas and LPG assets from existing care homes and communal retirement village facilities by around 2030.

The organisation is also targeting the installation of a further 500–600 kW of solar capacity annually at existing care homes and villages.

All new retirement village and care home developments from 2026 onwards will be fully electric, with solar generation integrated from day one. This is consistent with Bupa's approach over the past eight years, during which nearly all new developments have been delivered as fully electric across hot water, kitchen, and laundry systems.

By aligning emissions goals with asset lifecycles, investing in proven technologies, and rigorously measuring outcomes, Bupa is demonstrating the path to lower emissions, and lower operating costs, and creating more resilient retirement communities.



The Totara Gardens Village, Whangarei