

EnergySmart Case Study: Haggen, Inc.

HAGGEN, INC. NETS ANNUAL ENERGY SAVINGS OF \$300,000 THROUGH THE ENERGYSMART PROGRAM

OVERVIEW

Haggen, Inc., a privately held company in Bellingham, Washington, is the Northwest's largest independent grocer with 33 stores throughout Washington and Oregon. Their Haggen Food & Pharmacy and TOP Food & Drug stores lead the industry in delivering innovative services and conveniences that meet and exceed the expectations of their valued guests. That trail-blazing spirit now extends into a new frontier: implementing energy efficiency measures that reduce Haggen's imprint on the environment and significantly reduce operating costs.

Although committed to reducing energy consumption, Haggen was confronted with a stark reality of the grocery business: industry-wide net profit of a slim 2 - 4 percent a year. This profit margin makes it critical that energy saving measures are cost-effective and deliver proven value, fast. These requirements led Haggen to the EnergySmart Program, an incentive program funded by Puget Sound Energy (PSE) and Bonneville Power Administration (BPA) and designed and implemented by Portland Energy Conservation, Inc. (PECI).

"EnergySmart Program incentives have kept investments in energy-efficient equipment affordable, and on-site energy experts have streamlined the entire improvement process," says Glen Foresman, Director of Retail Support and Administration for Haggen, Inc. "We have been able to manage costs and cut overall energy expenditures, reducing our energy bill by approximately \$300,000 from 2007 to 2008, and saving over 2,500,000 kWh. How can you beat that?"

The EnergySmart Program supported Haggen in attaining energy and cost savings by providing:

- An in-depth no-cost energy audit of refrigeration, lighting, and HVAC systems
- Store-specific energy savings report with energy saving measures ranked by cost-effectiveness
- Recommendations for energy-efficient upgrades
- Direct installation of quick payback measures
- Facilitation of contractor participation
- Technical consultation



QUICK FACTS

Grocer: Haggen, Inc.

Location: Headquartered in Bellingham, WA, with stores throughout WA and OR

Participating Stores: 24

Scope of energy saving measures:

refrigeration pressure controls, refrigeration door gasket replacements, strip curtains, efficient refrigeration motors, automatic door closers, floating head pressure controls

Project timeline: 2006-2008

ANNUAL SAVINGS TO-DATE

Refrigeration Pressure Controls:

1,414,571 kWh

Door Gaskets: 598,390 kWh

Strip Curtains: 387,444 kWh

Efficient Motors: 122,656 kWh

Auto Door Closers: 7,544 kWh

Total kWh savings: 2,532,605

Total energy cost savings: \$300,000/yr

PROGRAM BENEFITS

- Refrigeration systems running at maximum efficiency
- Substantial reduction in overall energy costs
- Simple and easy energy efficiency improvements
- On-site energy audits and individualized savings reports for each store

Reduce costs, increase profits, become EnergySmart!



FOR MORE INFORMATION:

The EnergySmart Program is funded by participating utilities and implemented by PECEI to help grocers save money with energy-efficient equipment.

Through the Program, grocers receive no-cost energy audits, information about efficient technologies, operations, and maintenance, and in-depth, on-site consultations with skilled Field Energy Analysts. The result is streamlined implementation of cost-effective, energy-efficient measures. A long-term partner in energy efficiency, EnergySmart encourages grocers to rely on the Program's technical expertise to help guide and influence efficiency decisions.

Visit www.energysmartonline.org to learn more about how the Program can help you reduce energy use, what to expect as a participant, and how the program incentives are structured and paid.

PROJECT PARTNERS:

Grocery Owner: Haggen, Inc.,
Contact: Glen Foresman, www.haggen.com

EnergySmart Program Funding:
Puget Sound Energy (PSE), www.pse.com

Bonneville Power Administration (BPA)
www.bpa.gov

EnergySmart Program Implementation:
PECEI, www.peci.org

FINDING THE SAVINGS OPPORTUNITIES

Highly skilled EnergySmart Program Field Energy Analysts (FEA), with expertise in the grocery industry, made energy efficiency improvements simple and easy for the company. Serving as Haggen energy experts, FEAs conducted free store audits and identified store-specific energy saving measures. Their industry expertise led to a focus on refrigeration upgrades and retrofits, the source of a majority of a grocery store's energy costs. Working with experienced contractors Key Mechanical and South Sound Gasket Guy, the FEAs were able to move the projects to swift completion. "Partnering with EnergySmart Field Energy Analysts is like having someone on your staff without having to hire them onto to your staff," says Foresman. "I discussed a project with them and they ran with it, facilitating contractor bids and quickly moving projects to completion." Through in-depth on-site analysis many projects, both large and small, were identified to deliver refrigeration energy savings including:

- Installation of refrigeration pressure controls
- Replacement of door gaskets
- Installation of refrigeration strip curtains
- Implementation of more efficient refrigeration motors
- Installation of automatic refrigeration door closers

PROVEN PROGRAM RESULTS

Energy saving measures identified by the EnergySmart Program and implemented by Haggen have dramatically decreased energy use in their 24 participating stores. Through installation of refrigeration pressure controls, the chain is reaping annual savings of 1, 416, 571 kWh. To reinforce the fact that small projects can produce big results, the chain notes that one Floating Head Pressure project at their Woodinville, Washington store saves \$25,000 a year in energy costs.

In total, annual kWh savings equal 2,532,605, or nearly \$300,000 in savings per year. "We are so pleased with the results from our partnership with the EnergySmart Program that I have become an unofficial ambassador for the program," says Foresman. "I am committed to encouraging other utilities to participate."

"Simply put, the EnergySmart Program is a win-win. It reduces the Haggen imprint on the environment, it benefits our guests, and it saves money."

– Glen Foresman,
Haggen Director of
Retail Support and
Administration



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