



Service & Product Provider Partner

Advantage IQ

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Customer

A&P

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Business: Grocery Store Chain
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A&P partners with Advantage IQ and uses ENERGY STAR benchmarking to drive energy savings.

Project Scope

The A&P and Advantage IQ project encompassed 15 million square feet, 145 million kBtu's, \$4 million in savings, 375 facilities, monthly updates by site, a quarterly scorecard, and ENERGY STAR benchmarks integrated into reports and scorecards delivered to district and division managers.

Project Summary

A&P immediately recognized the benefits of using ENERGY STAR as an unbiased and understandable measure of performance. This, along with their corporate commitment, allowed them to experience tremendous success in 2006 by setting up an energy management plan that included an energy awareness program. A&P partnered with Advantage IQ to take the first steps in determining what to measure and how to report information. The collaboration of ideas culminated in a suite of performance reports that integrate ENERGY STAR ratings. The summary reports are presented to senior management, while the reports at the district and site level are distributed to the field, where they provide the knowledge to act. For example, A&P used a benchmark report to identify stores with higher than average energy usage. Audits on those stores revealed operating practices that needed to be changed, including such things as the use of kitchen equipment and lighting practices. Employee incentives were also provided which helped to further drive savings at the store level. Advantage IQ's previous experience and success in ENERGY STAR ensured early commitment and buy-in, as well as a successful launch and a sustainable delivery of knowledge. Based on Advantage IQ's ability to use the automated system to deliver scores on a monthly basis, ENERGY STAR was an ideal fit for A&P's energy management plan and it met A&P's objective of continuous improvement. According to A&P, tracking the success of their initiative was a critical element of their program.

- **Energy Savings**

During the first year, energy savings equates to 9.67 kBtu/square foot or \$0.25/square foot; this translates into a portfolio wide reduction of 145 million kBtu and nearly \$4M.

- **Investment**

While there were no capital outlays, there was a small investment made in the advanced analytics and reporting services of Advantage IQ and some travel and staff time for A&P. These costs represented less than 2% of the savings that were achieved through this program.

- **Financial Return**

Industry average grocery store profit margin is estimated at 1%; therefore, \$4M in savings could be equivalent to \$400M in grocery sales.

Monitoring & Verifying Energy Savings

Advantage IQ produced verification reports that normalize for weather to determine the true changes in consumption for all energy sources.

Distinguishing Value

A&P's effective program using ENERGY STAR can convey a positive message to investors, as well as have a direct impact on consumers as well. When businesses, such as A&P, make the commitment to manage resources wisely from a business and an environmental standpoint, their stewardship reflects positively for all—and illustrates that making good decisions for the environment are good for business.