

ENERGYSMART GROCER CASE STUDY

Chavez Supermarkets
Northern California



EnergySmart Grocer Earns the Trust of a Family Business

For families that run their own businesses, it's more than a job- it's their livelihood, their legacy. Every decision carries the weight of doing right by the family, so no decision is made lightly. This is important to recognize when we talk about how Chavez Supermarkets, with the help of EnergySmart Grocer, became an enthusiastic advocate of energy efficiency.

David Chavez, an immigrant from Michoacán, Mexico, dreamed of owning his own business. Living in Redwood City, California, he recognized an opportunity for a grocery store that catered to the underserved Hispanic community. He opened Chavez Meat Market in 1984 and, by consistently offering high quality, hard-to-find products and friendly customer service, expanded his business to include nine Chavez Supermarkets. Today, Chavez Supermarkets are an important and recognizable part of the Hispanic community in the Bay Area.

EnergySmart Grocer Makes a Visit

In 2010, Eddie Chavez (David Chavez's son and Project Manager at Chavez Supermarkets) had just started working for the family business. Soon after, he was approached by Matt di Cicco, a field energy analyst with the EnergySmart Grocer program, who offered to conduct a free energy audit. He showed Mr. Chavez that opportunities to save energy, and money on energy bills, are nearly everywhere: lighting, refrigeration systems, food and drink cases, HVAC systems and more. Mr. di Cicco was also able to show expected energy savings and available rebates for each potential improvement.

Seeing the Savings, Ramping Up the Effort

Mr. di Cicco developed a preliminary three-store energy efficiency plan customized for Chavez Supermarkets. The flexibility of the EnergySmart Grocer program and the rebates allowed Mr. Chavez to tackle the projects in the order that best suited the company's schedule and budget. The first major project was to retrofit inefficient fluorescent lamps in reach-in cases with LEDs. The five-store project produced 60,000 kWh energy savings and qualified for a rebate of over \$7,600.

When the results of the work became evident on Chavez Supermarkets' energy bill, a fuller appreciation of energy efficiency began to grow. "Once we started seeing the long-term savings, we started to pursue the upgrades whether the rebate was big or small," said Mr. Chavez. "We started doing more and more."

"Because these projects help us save money on energy bills, we are able to keep our prices low. All of the families we serve have come to rely on us for that: good products at good prices."

Eddie Chavez, Project Manager, Chavez Supermarkets

Quick Facts

Grocer: Chavez Supermarkets

Participating Stores:
Eight Stores Across the Bay Area

Scope of Project:
Over sixty individual measures between 2010 and 2013

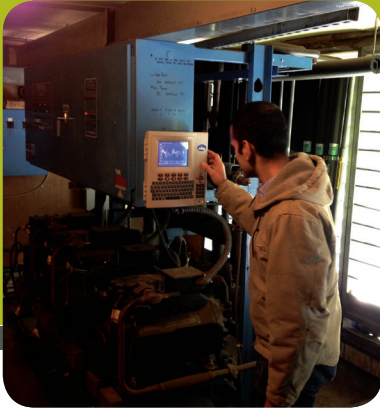
Annual Savings:
618,362 kWh, \$68,000

Total Rebate Amount:
\$52,600.50

Program Benefits

- Comprehensive no-cost energy audit
- Customized energy efficiency investment plan
- Technical expertise and guidance
- Rebates to offset installation costs
- Significant energy savings
- Quick return on investment





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Eddie Chavez, Project Manager, Chavez Supermarkets



This meant expanding the project scope to include upgrades in eight Chavez Supermarkets over three years, including converting refrigerated cases to LED lighting, adding anti-sweat controls to freezer cases and installing electronically-commutated motors (ECM) to refrigeration systems. The most recent project, completed this year, was to add doors to more than 60 feet of open refrigerated cases. This led to savings of about \$1000 per month in energy costs and, unexpectedly for Mr. Chavez, a nice boost in the cases’ appearance: “Initially we thought it would make it less easy for customers to grab what they need and go, but the new doors made it look like we had installed entirely new cases. That actually brought the image of the store up.”

Mr. Chavez is also planning a comprehensive series of projects at an additional store, including floating head pressure controls, refrigerated case doors and LEDs throughout the store. “Right now we’re just trying to find all the savings we can,” said Mr. Chavez.

What Energy Efficiency Adds Up To

To date, Mr. Chavez’s commitment to energy efficiency on behalf of his family’s business has led to:

- Annual kWh savings: 618,362
- Annual energy cost savings: \$68,000
- Total EnergySmart Grocer rebate amount: \$52,600.50



Without Mr. Chavez’s long term vision, these numbers would not have been possible, but Mr. Chavez is quick to offer credit to the EnergySmart Grocer field energy analyst who helped him along the way. “We’re not big enough where we have a whole energy department, so it’s really just me and Matt [di Cicco]. He can do a lot of the analysis for me. He can talk to suppliers or contractors for me. That helps a ton. Without that, we wouldn’t be able to do this amount of projects.”

Finally, working with EnergySmart Grocer has helped Mr. Chavez carry on the dream with which his father started Chavez Supermarkets nearly three decades ago: “Because these projects help us save money on energy bills, we are able to keep our prices low. All of the families we serve have come to rely on us for that: good products at good prices.”

For more information, please visit www.energysmartgrocer.org.

About EnergySmart Grocer

The EnergySmart Grocer Program provides no-cost energy assessments, technical assistance and financial incentives to grocers seeking to lower their operating costs through high-efficiency retrofits. Saving energy is smart business, and with the help of EnergySmart Grocer, participating stores can significantly reduce their energy use in the areas of refrigeration, lighting, HVAC and food service equipment. EnergySmart Grocer operates in the electric utility territory of Pacific Gas & Electric Company (PG&E) and has been active since 2002.