

A Single Change Boosts Bottom Line in Two Ways for Natural Grocers by Vitamin Cottage®



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RANDALL ROGOS
Facilities Manager

From Dim to Dazzling

It’s hard to sell products in any retail store without the right lighting. The facilities manager at several Natural Grocers stores in Colorado knew the lights in the refrigerated cases needed an upgrade to help move merchandise.

“The old lighting was showing its age,” says Randall Rogos, facilities manager for all 55 stores nationwide. “Some of the lights were yellow and others were glaring, so it was time to make a change.”

Efficiency and sustainability have been long-standing priorities with the company, so they started their search by looking at high-efficiency and high-quality LED lighting.

“Our store owners are adamant about conservation, so we wanted something that would use as little energy as possible,” says Rogos. “Then we learned that an Xcel Energy rebate would knock off a big chunk of the cost, so it would have been crazy not to do it.”

Xcel Energy provides rebates to customers as incentive to help them offset the cost of new, higher-efficiency equipment. In this case, it was a big one, accounting for over 40% of the overall cost. Rogos will also save about \$6,000 each year in electric bills and lower his maintenance costs, since LED bulbs are expected to last 10 to 15 years.

The difference was instant and impressive.

“When we put the LEDs in the bulk refrigerated cases, the cases looked brand new,” says Rogos. “Our sales went up. Maybe our customers weren’t seeing all of the offerings before.”



FINANCIAL SNAPSHOT

Store location	Six Denver metro locations, plus Glenwood Springs and Evergreen (30 stores total in Colorado)
Project	Upgraded old fluorescent lights with 97 LED lamps in refrigerator cases
Total project cost	\$26,000
Xcel Energy rebate	\$10,600
Final project cost	\$15,400
Annual energy savings	\$6,000
Payback term	2.5 years

Rogos thanks his Xcel Energy account representative, William Conrad, for helping make the process seamless. Conrad helped with the paperwork, return-on-investment estimates and product information.

“LED technology has come a long way,” says Conrad. “It used to be that LEDs cost a lot and the payback term took a long time, but like any technology, the cost has gone down over time so more businesses are now opting to use it.”

Next Steps

Rogos says he emails Conrad every week asking about new ways to save. They recently finished retrofitting the lights in the parking lot to LEDs and now they’re looking at installing a micro turbine to power part of the distribution center. Micro turbines run on natural gas, thereby reducing electric demand, and can serve as a backup if the power goes out.

“As long as Xcel Energy keeps offering rebates, we’ll keep looking at making energy-saving changes,” says Rogos.



For more on this and other Xcel Energy efficiency and rebate programs, please visit xcelenergy.com/LightingEfficiency.