



## Walgreens: Small Changes at Thousands of Stores Equal Huge Savings



"It was an amazing project that reduced our energy usage at all of our stores. Now the sustainability team is looking at additional opportunities, including other refrigeration methods like replacing compressors and upgrading old equipment."

Laura Hill

Lead Sr. Analyst – Credits & Incentives

As the largest drug store chain in the United States, with more than 8,200 drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, Walgreens is always looking for ways to save energy and money.

Nationwide corporate goals and core values include sustainability and efficiency, so an energy team was formed years ago that led the path toward using less, saving more and being environmentally conscious.

"They take it very seriously," explains Judy Ring, Xcel Energy account representative. "They want to be the most efficient store retailer they can be and they work with utilities across the country to get rebates as additional incentives. They're very engaged and aggressive."

They reviewed ways to save with a third-party vendor and began to implement upgrades at each of their stores.

### Reduce the energy spend

Often times, lighting is one of the first things a company will upgrade to begin its efficiency work. Walgreens was no exception.

"Electricity is one of our largest spends, so we actively looked for ways to reduce costs," says Laura Hill, Lead Sr. Analyst – Credits & Incentives at Walgreens. "We looked at both interior lighting and open dairy coolers to start, as we knew there were more efficient options."

The Walgreens team opted for high-efficiency, fluorescent lamps throughout each store, until the entire chain had been retrofitted. They also swapped out older lighting with LEDs in the refrigerator and freezer cases.

Next came the coolers. Walgreens offers refrigerated foods and beverages and keeping everything cool takes additional power.



### Project snapshot

Project	Upgrade lighting, install anti-sweat heater controls, EC motors and zero-loss energy doors on refrigerator cases
Rebate amount per store	\$1,760 (60% of overall project cost)
Total annual energy savings per store	\$2,046 (25,585 kWh) per store
Demand reduction per store	1.85 kW

Refrigerated glass display cases contain heat strips to prevent moisture from forming on their glass and frames. Without controls to stop and start the anti-sweat heaters, they would typically operate non-stop 24 hours a day, 365 days a year, yet they are needed only a fraction of the time.

Knowing this, the Walgreens maintenance team had an anti-sweat heater control system installed, which saves money two ways. It reduces the amount of time the anti-sweat heater needs to run and reduces the need to cool the heated air generated by the strips.

The last two steps were to install electronically commutated motors on the cases and zero-loss energy doors, to further reduce energy use.

"We had what we called a 'Close the Case' initiative to put doors on walk-in coolers to help us reduce wasted energy," explains Hill. "Just doing that enabled us to decommission one of the compressors on the roof because of the refrigeration savings."

### Well worth it

All of the measures were eligible for Xcel Energy rebates, which offset a whopping 60 percent of the total project cost.

"When you think about the scale of implementing these measures at more than 8,000 stores, the energy savings are outstanding," says Ring.

And Hill says they're not done yet.

"It was an amazing project that reduced our energy usage at all of our stores," says Hill. "Now the sustainability team is looking at additional opportunities, including other refrigeration methods like replacing compressors and upgrading old equipment."

As if that's not enough, Hill adds that about 200 stores use solar power, a handful have electric vehicle charging stations and a new store recently completed in Chicago is their first net zero energy store.

### Next steps

Hill says the facilities team constantly looks for other ways to save. They conduct regular HVAC system reviews and replace rooftop units when they become more than 13 years old.

"A lot of our stores have energy management systems, too, and that helps us manage our energy use and identify any problem areas," says Hill.

One of their next new stores will be in downtown Minneapolis across from Xcel Energy headquarters where they plan to implement efficient measures right from the start.

"It's exciting for us to take advantage of efficiency programs and rebates, new technologies and renewable strategies to continue to reach our sustainability goals," says Hill.

Seemingly small steps multiplied by thousands of stores equal fantastic energy savings and a boosted bottom line.



*The former open refrigeration cases were inefficient.*



*"Close the case" initiative added doors to refrigerated section to improve efficiency.*

For more about Xcel Energy's Cooling and Lighting Efficiency programs, please visit [xcelenergy.com/Business](http://xcelenergy.com/Business) or call an energy efficiency specialist at **855.839.8862**.