

## Case Study

# Fresh & Easy Kicks the Competition

**Despite Using More Refrigeration Per Square Foot of Store Space, Fresh & Easy Achieves Energy Efficiency 30% Better Than That of Their Peers in the U.S. Grocery Industry**

## Introduction

**F**resh & Easy is a grocery retailer building and opening new stores in multiple utility service territories throughout Arizona, Nevada and California since late 2007 and continuing to open new stores today. They wanted a streamlined approach to paying their utility bills and performing ongoing quality checks with energy costs.

*Once Fresh & Easy had opened and established a solid track record of energy consumption, Verisae analyzed the available utility tariff rates against store operations to determine the most economical tariff. It was determined that some stores were originally placed on the wrong utility tariff and would financially benefit by switching to a new rate.*

*Verisae worked with each utility to ensure stores were transferred to the most economical rate and all new stores were immediately placed on the correct rate, avoiding unnecessary costs from the beginning of service. In addition, Verisae analyzed historical utility bills and investigated abnormally high charges and energy usage with each utility and ensured refunds were directed to Fresh & Easy.*

As part of Verisae's Utility Bill Processing (UBP) service, Fresh & Easy decided to implement a service whereby each store's utility tariff was verified and historical usage was analyzed to ensure correct energy charges.

### **Company Profile**

Fresh & Easy neighborhood-sized stores are easily accessible and offer

everything from fresh and wholesome food choices, to everyday staples. Their own line of fresh prepared meals and organic items make quick eating easy and affordable. They like to keep things simple. Offered at budget prices, their own Fresh & Easy branded products are made without harmful ingredients.

### **Fresh & Easy Makes It a Priority to Reduce Their Impact on the Environment**

Fresh & Easy is proud to be one of just a few companies selected as a pilot member of the Leadership in Energy and Environmental Design (LEED) Green Building Volume Certification Program. They are working to make sure their stores live up to high environmental standards.

They are members of the California Climate Action Registry which is California's voluntary registry for greenhouse gas emissions and the Climate Registry, a group that standardized the measurement for greenhouse gas emissions across North America.

Fresh & Easy has been able to maintain the lowest maintenance cost per location as well as post energy use of 33 kWh/ft<sup>2</sup>, compared to the industry average of 51.3 kWh/ft<sup>2</sup> (according to Edison Electric institute).

Reducing their impact on the environment is very important to Fresh & Easy. They have made efforts to be as sustainable in their operations. From recycling, to energy efficient buildings, to solar panels, they aim to be a global-leader for eco-friendly initiatives.

## Business Challenges

Fresh & Easy had to establish energy service for a period of time prior to best understanding the best rate tariff available in the multiple utility service territories where they were rapidly opening stores. In addition, Fresh & Easy wanted to implement a service whereby ensuring they were correctly billed by each utility for the energy the stores were consuming.

Rate tariffs are classified by the amount of energy a facility consumes and are typically broken into bill components, such as transmission, distribution, energy usage, taxes and other administrative charges. Many utilities will offer one or two rate tariffs to customers that consume energy within certain parameters (e.g. 20-200kW/month). In addition to securing the best rate, customers should ensure energy usage is analyzed and anomalies are identified and researched with the utility company's billing and/or rates department. In many cases these anomalies are a result of meter read errors and can result in customer refunds.

Fresh & Easy utilized Verisae's Utility Bill Processing service, called ProUtility. The ProUtility application a web-based utility bill analytics, reporting and tracking solution designed to reduce enterprise-level utility cost and usage. All utility services are supported including electricity, natural gas, water/sewage, solid waste, etc.

Verisae used the ProUtility application to perform the initial

rate tariff review and consumption analysis. Rate tariff and usage anomalies were easily identified and further investigated with each respective utility. When economical, Verisae worked with the Utility and Fresh & Easy to change stores to a better rate and refunds were for billing errors were sent directly to the customer.

The ProUtility solution offers a broad range of utility payment services. Each service offers customers a way to reduce their energy expenditure. Some of the services are listed below. ProUtility Service Features:

- Analyzing, tracking and reporting of all utility bills
- Utility energy usage tracking and reporting by location and category
- Utility bill payment automation
- Budgeting and accrual tools
- Utility Tariff Analysis (*as documented in this case study*)
- Historical Energy Usage Analysis (*as documented in this case study*)
- Commodity Procurement Assistance
- Opening and Closing store assistance
- Carbon tracking and reporting

## Solution Approach

## Results and Benefits

Verisae analyzed the utility tariff for all 150 stores as well as all historical energy bills.

*This project resulted in \$81,535 of avoided annual costs due to wrong rates and utility refunds due to incorrect energy bills.*

## about Verisae Inc

### **How You Can Save Up to 35% of the Money You Now Spend on Energy and Maintenance**

With Verisae's help, many large, complex organizations can save up to 35% of the money they now spend on energy and maintenance. How you can do it with us.

- **Energy** - Through improved energy management you can save up to about 15% of your current energy cost.
- **Maintenance** - Through improved maintenance management you can save about 15% of your current maintenance cost.
- **Energy & Maintenance** - By better managing the interrelationships between both energy and maintenance, you can save about 5% of both energy and maintenance cost.

Verisae delivers a range of software and services to over 60 clients globally with more than 100,000 daily users including a network of more than 14,000 third party suppliers. Our SaaS platform actively tracks over three million assets across more than 29,000 sites worldwide.

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