

# The Power of Green

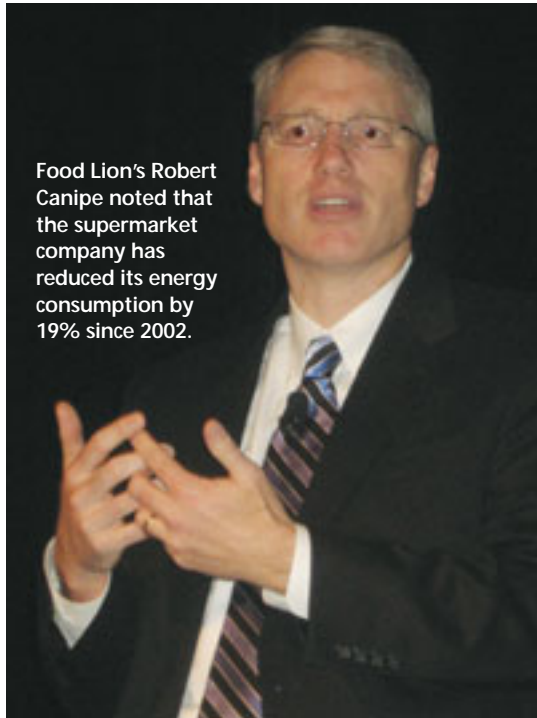
Green4Retail conference draws committed industry professionals

By Marianne Wilson

Retailers' interest in green building and sustainable operations continues to build momentum, a point that was brought home at *Chain Store Age's* Green4Retail conference, held in April in Chicago. The event — the only industry forum dedicated exclusively to environmental sustainability in store planning, design, construction and facilities management — brought together retailers, architects, consultants and providers of green solutions and services for educational sessions, discussions and networking.

An overwhelming message emerged from the conference: Green is not only here to stay, but is poised to become a dominant theme moving forward.

"We are living in a transformational time," said speaker Roger Holt, an attorney specializing in environmental law with



Food Lion's Robert Canipe noted that the supermarket company has reduced its energy consumption by 19% since 2002.

Greenberg Glusker, Los Angeles. "We are moving to a green economy that will affect the retail business in a profound way," he said.

Another common theme, one that was echoed by many of the speakers, was that sustainability and profitability are not mutually exclusive and that green initiatives often carry with them significant long-term incentives. This is particularly true when it comes to energy.

"Since 2002, we have reduced our energy consumption — in gas, electricity, water and sewer — by 19%, equal to a bottom-line benefit of more than \$50 million," said Robert Canipe, senior VP corporate development and corporate

responsibility, Food Lion, Salisbury, N.C., which operates more than 1,300 supermarkets and is a subsidiary of Delhaize Group.

Canipe detailed some of Food Lion's key green initiatives over the years, starting with its switch from T12 lamps to T8s, along with its involvement in the Environmental Protection Agency's Energy Star program.

"We have 816 qualified 'Energy Star' locations out of a total of 1,300 stores," Canipe said. "The real benefit of this program is the focus it gives to our organization."

Food Lion's commitment to sustainability extends throughout its operations, from the way it builds its stores to its IT operations to the way it uses energy.

"Through our demand control/peak load reduction program, we achieved a 4% reduction in peak demand during 2008," Canipe said.

**Regulations:** Environmental law attorney Holt gave an overview of environmental regulations. He also warned the audience that there is likely to be growing pressure for a reduction in greenhouse-gas emissions going forward.

"It's going to be like dominoes," Holt said. "There will be a lot of activity that will affect all our lives, including retailers."

Holt noted there is a growing movement to establish a law that would require publicly traded companies to report on their carbon-footprint costs.

"Many observers believe it is inevitable that carbon-footprint costs will be among the many criteria that public companies have to report," he added.

## McDonald's Green Lab

John Rockwell, sustainability manager, McDonald's USA, gave Green4Retail attendees a detailed look at the chain's "eco-learning lab" in Chicago, which recently received LEED Gold certification. The restaurant, which features the latest in green design, building and operating practices, is serving as a case study in sustainable design for McDonald's.

It includes such features as a vegetated green roof, a 20,000-gal. cistern for rainwater collection, high-efficiency water boilers and rooftop mechanical equipment, water-conserving toilets and fixtures, photovoltaics, wind power, stormwater management with permeable parking-lot pavement and rain gardens, and high-efficiency LED lighting for exterior signage. Also, 90% of the construction waste was diverted from the landfill. The interior decor focuses on recycled content and low-emitting materials.

Rockwell noted that one of the advantages of the restaurant's green design was an expedited permitting process.

"We received the permit in 35 days," he said.

As to the restaurant's hits and misses, it is too early to tell for the most part. But even at this early date, the high-efficiency boilers and water-conserving urinals are clearly among the building's early wins.

**Renewable energy:** Blaine Collison, director of the Environmental Protection Agency's Green Power Partnership, discussed the various product options available for retailers with regard to renewable energy. These include bundled green products to renewable energy certificates to on-site generation.

Collison outlined the green-power value proposition.

"Green power deploys quickly and scales up easily," he said, "and is something that resonates with customers, employees, management and other stakeholders. It also captures favorable media attention."

Collison noted that Kohl's Department Stores had the top spot in the most recent quarterly ranking by the EPA of green power purchases by retailers. Kohl's VP sustainability John Fojut discussed the chain's use of green power, focusing on its solar initiatives.

"Fifty percent of all energy used at Kohl's is renewable," he said.

To date, Kohl's has outfitted 67 stores with solar arrays; an additional 20 locations are in various construction stages. It also is directly purchasing RECs through a partnership with Waste Management, and also purchases blended source RECs (using Sterling Planet to make its purchases).

"Our strategy (for renewable energy) is to increase our solar REC portfolio through PPAs over 20 years, increase our direct REC purchases and take advantage of advantageous market conditions," Fojut explained.

As for Kohl's focus on energy, the rationale is simple:

"A retail store's biggest impact on the environment is the use of energy," Fojut said. "Also, carbon-footprint measurement and energy strategies go hand in hand."

**Jo-Ann Fabric Stores:** Speakers from Jo-Ann Fabric Stores detailed their company's latest green initiative: the opening of the first Jo-Ann Fabrics and Craft location to seek LEED certification. The store, in Round Rock, Texas, offers a number of eco-friendly elements, including:

- Forty-five active skylights with daylight harvesting controls combined with low-wattage light fixtures, for an anticipated 26% reduction in electricity use. In other lighting changes, the store lowered its fixtures and went from 32W lamps to 28W lamps,

## Low-Hanging Fruit

When it comes to reducing energy, start by focusing on the low-hanging fruit, Elaine Aye, principal, Green Building Services, Seattle, told participants at Green4Retail.

"A lighting upgrade is one of the quickest ways to reduce your costs," she said. "Ten out of 10 buildings are overlit."

Water conservation represents another area for big savings. Aye recommended the use of low-flow plumbing fixtures, with a minimum of 1.6 gallons per flush.

"But with dual-flush technology, you can get .8 or 1.2 gallons per flush, which is even better," she added.

Aye explained that retailers can also reduce their water use by installing low-flow aerators (.5 gallons per minute) on faucets.

"This is a simple and low-cost way to reduce your water use," she said. "Replacement typically costs 50 cents to 75 cents [per unit]."

maintain cleaner indoor air quality.

The store features a polished concrete floor, maintained with Green Seal-certified cleaning products.

"The polished concrete is durable and requires minimal maintenance," said Craig Edge, director, store planning, construction and purchasing, Jo-Ann Fabric Stores. "It should allow us to reduce our housekeeping expenses by 21%."

In other savings, the addition of a cardboard baler and other recycling initiatives is expected to help the store reduce its waste-removal expenses by 63%.

GPD Group, Akron, Ohio, assisted Jo-Ann Stores in the assessment, design, commissioning and LEED certification process of the Round Rock store.

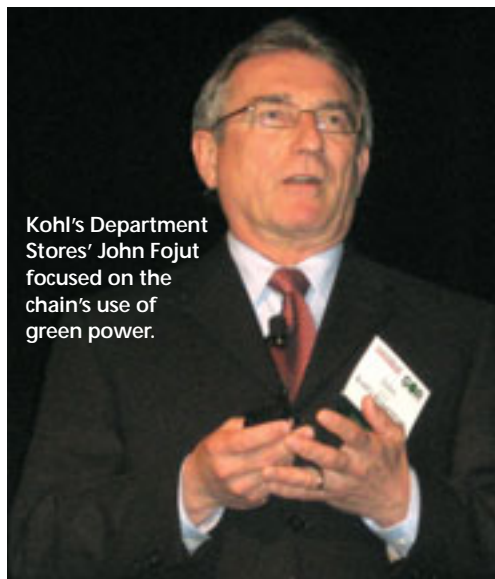
Mansfield said she anticipates a 34% reduction in operating costs for the green store.

The retailer has already made some of the features in its Round Rock location, notably the water-saving fixtures and lighting system changes, standard for new stores going forward.

"We're awaiting payback validation on other items, including the concrete floors, skylights and daylight harvesting," Edge said.

For video highlights of the speakers at G4r, go to [www.chainstoreage.com/morevideosg4r.aspx](http://www.chainstoreage.com/morevideosg4r.aspx).

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Kohl's Department Stores' John Fojut focused on the chain's use of green power.

A special word of thanks from *Chain Store Age* to the speakers who contributed to Green4Retail as well as the companies that helped sponsor the forum: Cooper B-Line, Excel, Grid Sign Systems, Melink and Schneider Electric.

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