



Retailer Energy Alliance

REA Supplier Summit

Greg Tomsick, Senior Director – Supply Chain
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GREG TOMSICK
SENIOR DIRECTOR – SUPPLY CHAIN
Distribution, Transportation, and Energy

gtomsick@bost.com
303-216-5624





- An affiliate of Sun Capital Partners, Inc.
- Headquartered in Golden, Colorado
- More than 550 company-owned, fast casual restaurants
- Catering
- Convenient Meal Solutions (CMS)
- Frozen entrees marketed by H.J. Heinz Company



BOSTON MARKET LOCATIONS





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SERVED BY

- 124 electric entities
- 88 natural gas entities
- 8 propane entities



2007 ENERGY EXPENSE

Total \$25.3 Million

- Electricity 65%
- Natural gas and propane 35%

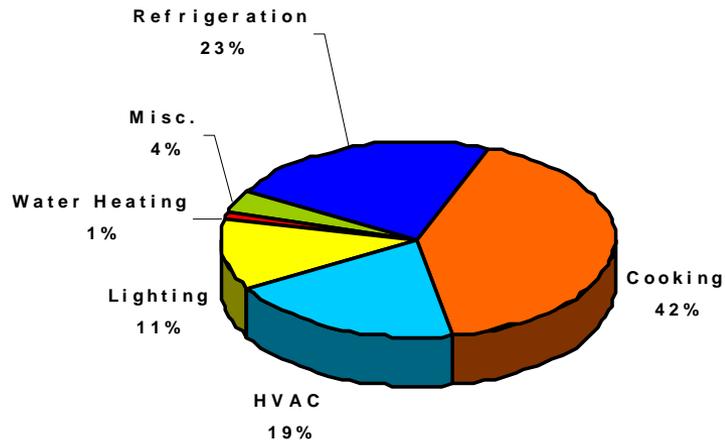


2007 CONSUMPTION DATA

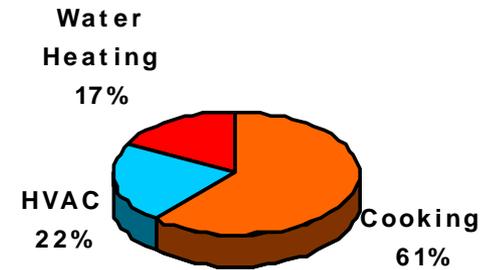
Electricity	151 Million kWh
Natural gas and propane	7.3 Million Therms
Average peak demand	50 – 60 kW



Electric Energy Usage



Natural Gas Energy Usage



Financial Value – Limited Service



- For the average limited service restaurant, **every dollar saved in energy costs improves profits by as much as increasing sales by \$18.**
- A 10% reduction in energy costs for the average restaurant is equivalent to:
 - ✓ Increasing net profit margin by 4 percent
 - ✓ An additional 7,674 checks
 - ✓ Increasing sales per square foot by \$17

Assumptions:

- 1) Income and expense data source NRA 2006/2007 Restaurant Operations Report
- 2) Average Square Footage = 3,000 sq. ft.
- 3) Average Sales per sq. ft. = \$308
- 4) Utility Services = 3.1%
- 5) Average Profit Margin = 5.49%
- 6) Tax Rate = 33%
- 7) Median Average Check Value = \$6.75





Design and Construction

Chief Development Officer

Operations

Senior Vice President of Operations

Vice President of Operations Systems



PROCUREMENT PROCESS

Chief Concept Officer

Vice President Supply Chain

Purchasing Manager - Equipment

Eve Uhing

Emaas@bost.com

303-216-5410



PURPOSE: DEMAND SIDE

To reduce total energy consumption and peak electricity demand while realizing a 2 years or shorter ROI without requiring significant participation by store level management.





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DEMAND SIDE

- White roof
- High efficiency rooftop units
- Make-up air management
- EMS controls for HVAC and exterior lighting
- Hood controls
- High-efficiency lighting
- Occupancy sensors
- Tankless water heaters
- Cooking equipment
- Ice makers
- Fire-up schedule



INHIBITORS

Energy Efficiency Incentives

- Process is too cumbersome
- Need to increase prescriptive opportunities
- Simplify custom protocols



NEW EQUIPMENT MUST

- Perform
- Exhibit enhanced energy efficiency
- Provide operational value

Other Considerations

- First cost versus life cycle costs
- Company owned versus franchised locations



SUPPLIER OPPORTUNITIES

- Funded pilot programs
- Financing packages
- Package energy efficiency incentives with net pricing





DOE OPPORTUNITIES

Provide an independent central
repository to catalog effective technologies





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