

H-E-B SUCCESS STORY

INDUSTRY: Groceries and Distribution

SOLUTIONS: Enchanted Rock | Resiliency-as-a-Service

Dual-Purpose Microgrid



H-E-B Houston area stores had experienced intermittent power outages, according to George Presses, H-E-B vice president of fuel and energy. Presses felt the store needed a reliable backup power system that would keep them up and running "without any interruption to our partners, customers, or communities due to a weather event or a general, short term grid outage."

The Client

H-E-B is a privately held grocery store chain with sales of more than \$32 billion operating more than 400 stores in Texas and Mexico. Headquartered in San Antonio, H-E-B employs more than 86,000 in Texas, 9,000 in Mexico and serves millions of customers in more than 300 communities.

The Challenge

Several H-E-B stores frequently experienced intermittent power outages that caused interruptions to their customers and communities as well as loss of perishables. Among retail businesses, grocery stores are especially vulnerable to power outages. They have freezers full of food that must be kept at sub-zero temperatures, prepared foods that will spoil quickly if not kept at the correct temperature, perishable foods such as dairy, fish and meat that must be properly cooled and, often, a pharmacy with temperature sensitive medicines. Even relatively short power outages can be costly to grocers. Federal government guidelines recommend discarding any perishable foods, such as meat, fish, poultry and eggs, that have been held at temperatures above 40 degrees Fahrenheit for longer than two hours. The value of perishable foods runs anywhere from about \$400,000 to \$900,000 at a single store, according to a report from Western Illinois University. Most spoilage occurs within the first three hours after an outage.

The Solution

H-E-B wanted to ensure they could remain open during unexpected power outages due to weather related events. In 2016, H-E-B partnered with Enchanted Rock to install dual-purpose microgrids H-E-B's 45 of stores using Enchanted at Rock's Resiliency-as-a-Service solution. Enchanted dual-purpose microgrids run on natural gas, which has a robust reliable underground Since then, H-E-B has expanded supply chain. the agreement to over 130MW of additional locations. These H-E-B stores now have full electrical reliability and are able to provide critical service to the community during major and minor power outages.

The Result

Since commissioning the first reliability system at an H-E-B store in Winter 2016, H-E-B has experienced sustained sales growth when other nearby stores are without power. Additionally, Enchanted Rock monitors grid power quality and islands H-E-B stores when problems are detected, saving H-E-B from equipment damage and product losses. Enchanted Rock's Resiliency-as-a-Service solution, with its dual-purpose microgrid enable companies to stay powered and communities to be resilient. Enchanted Rock dual-purpose microgrids are managed and optimized 24/7/365 that enable worry-free protection from extended electrical outages. Enchanted Rock delivers resilient backup power, often at half the price of diesel, by financing, operating, and maintaining the systems.

About Enchanted Rock

Founded in 2006, Enchanted Rock is a leader in electrical resiliency-as-a-service, powering critical infrastructure companies, and communities to ensure operational continuity during unexpected power outages from extreme weather, infrastructure failures, cyberattacks and other grid disruptions. Enchanted Rock's dual-purpose microgrids use natural gas and renewable natural gas (RNG) offsets to produce significantly lower carbon emissions and air pollutants than diesel generators, capable of achieving resiliency with net-zero emissions. Additionally, the company's end-to-end microgrid software platform, GraniteEcosystem™, provides real-24/7/365 system time monitoring and including forecasting optimization, of electricity market conditions to ensure worryfree reliable power to customers.

About H-E-B

H-E-B is headquartered in San Antonio, Texas with approximately \$32 billion in revenue and 117,000+ Partners. Founded in 1905, H-E-B operates more than 400 stores in a number of formats, including superstores, supermarkets and gourmet markets. H-E-B is the #1 food retailer in the Austin, San Antonio, Houston, Corpus Christi and Rio Grande Valley markets. Our company is the largest private company in Texas and one of the 15 largest privately held companies in the U.S. For more information, For more information, visit <u>www.HEB.com</u>.











713-429-4091