



Peak Day Pricing  
Case Study

# Le Boulanger

## Saving Energy and Serving Customers



**Peak Day Pricing** brings electricity rates in line with electricity demand by combining a year-round time-of-use rate with a Demand Response component. On 9 to 15 days per year, when energy demand spikes, Pacific Gas and Electric Company (PG&E) may declare a Peak Day Pricing Event Day. Peak Day Pricing gives customers an economic incentive to conserve electricity during peak hours on those days.

“Our reputation depends on offering bakery products that taste fresh from the oven.”

— **Larry Ceccato**  
Vice President of  
Wholesale Operations  
Le Boulanger

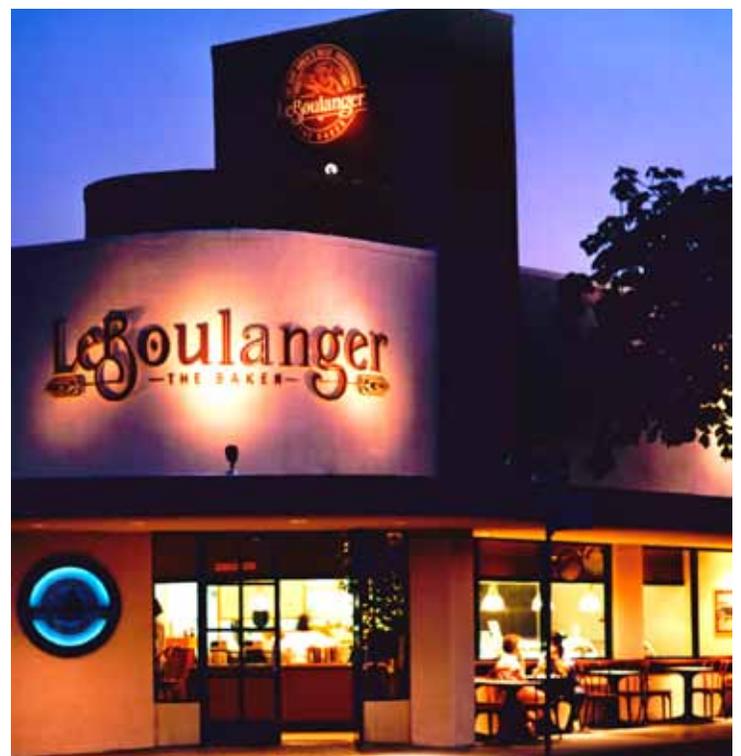
With a few simple adjustments on Peak Day Pricing Event Days, the Le Boulanger bakery in Sunnyvale, CA, got managers, staff and customers invested in the company’s success on the new rate plan, saved energy, and lowered their electricity bills. Since starting on Peak Day Pricing in 2010, the company has achieved its energy-savings goals without compromising the high quality of the baked goods they produce.

### Balancing Savings with Business Priorities

Le Boulanger’s 35,000 square foot Sunnyvale headquarters includes office space, a small, public café and a large production area. Every week, the bakery transforms up to 40 tons of flour into baked goods. Fresh dough products are delivered from the Plant each evening and then baked every morning at each of the company’s 18 retail outlets around the Peninsula and South Bay area. Office workers administrate the company’s retail, wholesale and catering businesses, and café workers provide a warm welcome for the area’s residents and professionals working nearby.

Like most bakeries, Le Boulanger produces pastries, bread and other goods as close as possible to the time they’re released for delivery. “Our reputation depends on offering bakery products that taste fresh from the oven,” explains Larry Ceccato, Le Boulanger Vice President of Wholesale Operations.

When their Engineering Manager, Mark Wynn analyzed their production cycle, bakery managers were informed that the facility’s most energy-intensive activities are operating dough mixers, refrigeration and freezer systems. So they looked for ways to shift electricity consumption for those activities from peak hours to other times.



- Identified energy-intensive activities and performed those during off-peak hours.
- Relied on natural light to illuminate working areas, where possible.
- Employees in all areas and at all levels contribute to electricity conservation efforts.
- Used signage to notify customers of their participation in the program.

## Cutting Back On Electricity When Demand Is High

The company introduced just a few simple changes to achieve substantial reduction in energy use. On Peak Day Pricing Event Days, staff members start production earlier in the day, so that the dough-mixer operation ends before peak hours begin at 2 pm. Two of three freezers are shut off during peak hours (2pm – 6pm). Internal freezer temperatures are monitored hourly to ensure standards are consistent and product quality is not compromised. Most of the lights throughout the facility are turned off, too, since skylights throughout the building provide adequate amounts of sunlight.

## Engaging Managers, Staff and Even Customers

The staff is small, about 100 employees, so managers can easily get feedback on Peak Day Pricing Event practices and respond creatively to concerns. Employees in all departments and at all levels do their part to make sure curtailment goes smoothly. Ceccato says, "Maintenance crews also play a major roll on Event Days. Their shift schedules will start 2 hours later on Event Days so they can manage the power supply of the facility until 6pm."

Office workers take responsibility for raising the temperature settings on the air conditioners and turning off unneeded lights. Café workers do the same. Signs are posted in the café to let customers know how Le Boulanger conserves energy and contributes to grid reliability in the community.

## Simple Changes Pay Off

In 2010, Le Boulanger reduced their load by over 15% on four of the nine Peak Day Pricing Event Days and achieved a net savings of \$3,900 on the rate. They were also able to decrease in their annual electric costs by 4.7% between May and December.

## Making Energy Savings Business as Usual

Now Le Boulanger is evaluating how they can maintain their Peak Day Pricing Event Day performance if their production increases this year. During their first year on the program, Bill Protection allowed Le Boulanger to participate risk-free. This feature guaranteed that PG&E would reimburse the company if the charges they accrued on Peak Day Pricing exceeded costs on their otherwise applicable rate.

Upon entering their second season on Peak Day Pricing, the company plans to build on their foundation of success. Managers are working with PG&E to identify additional savings opportunities and tools to forecast, track and manage their energy use.

