

Retail: How to avoid energy wastage and manage costs

 By [Jon Rabinowitz](#)

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NEW YORK CITY, US / KFAR SABA, ISRAEL: How you can manage costs better in retail stores: Six factors that contribute to energy waste and are raising your costs.

Halfway through a winter that has seen heavy snowfall affect much of the United States retail sector, many COOs are examining their January figures and shaking their heads. Whilst there is reason for optimism due to an [8% growth in non-food retail sales according to January 2013 figures](#), high costs due to cold and stormy winter weather could negatively affect the profit margins from seasonal sales.

Here we will look at six factors that contribute to energy waste, and how correcting them can help you manage your retail costs better.

1. Off-hour consumption

According to the [National Grid](#), retail buildings in the US spend an annual average of US\$13.02/m² on electricity. In a typical retail building, lighting, cooling, and heating represent between 69 and 84% of total use, making those systems the best targets for energy savings. By systematically identifying your peak and off-hour energy needs, you can begin to reduce energy consumption during off-hour times. Cutting off-hour consumption should be managed through a process of testing and analysis to make sure you are using your energy in the most efficient way.

2. Poor maintenance

Poor maintenance of electrical heating, cooling and lighting systems could result in adding up to 20% to your annual costs. Energy efficiency systems, backed by quality data will allow your company to run in a more cost effective manner, and will boost your green credentials. It is important to think long-term about maintenance. Using cheaper systems may save you money this year, but will significantly add to your costs in the future.

3. Undetected failures

Investing in energy management systems (EMS) may involve an initial financial outlay, but one of the areas where you will see a quick ROI is detected failures that have previously remained undetected. Electric failures can be costly in a private home, but can lead to serious energy waste when they occur in a large-scale retail operation.

4. Wrong BAS scheduling

Incorrect scheduling of your building automation software can lead to energy waste and rising costs. Leaving your systems to run all day at the same level of electrical output will be costing you extra, especially during the winter months. It is crucial to synchronise your BAS scheduling with your off hour consumption, based on data analysis of your energy points and overall energy use.

5. Inefficient equipment

If your monitoring and analytical tools are inefficient then you will not be able to find areas of wasted power, and successfully monitor and control your BAS. By combining up to date technology with quality data analysis you will be able to save energy, and get a ROI on your initial outlay.

6. Too much data

Too much data can be costing you money and wasting energy. If you have too much data without the capability to properly analyse it and create a successful energy management strategy, then the data collection will just become another expense, and the policies you implement could lead to additional energy waste.

Studies have shown that continuously monitoring a building's energy systems can lead to reductions of 10 to 15% in annual energy bills. By using device level visibility to understand energy usage you can save energy waste and cut costs for your retail organisation. Through actively controlling and managing energy rates, and predicting and benchmarking energy usage you can take control of demand charge and reduce your operational costs. By using an [Energy Management System](#) that actively manages energy peaks, letting you know exactly where and what device is causing it, you can make the necessary changes on the ground to reduce your energy costs, so that come January 2015, you'll be smiling over your monthly reports.

ABOUT JON RABINOWITZ

Jon Rabinowitz is Senior Director of Marketing at Panoramic Power, a leading provider of energy management solutions for retail business around the world. In this role, he advocates on the use of sensor energy monitoring technology to make proactive operational decisions and reduce energy costs.

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