

## Energy Procurement

### Case Study

# California Grocery Chain Overcomes Gas Pricing Volatility and Locks in a 76% Price Reduction Worth \$3.5 Million Per Year

## Client



Super Center Concepts Inc. operates one of the largest independently-owned grocery supercenter chains in the greater Los Angeles metropolitan area with more than 40 outlets under the Superior Grocery name.

## Challenge

Gas rates in California experienced a significant surge during the period spanning 2022 and early 2023. The utility's supply rates exhibited extreme volatility, leading to monthly increases in our client's bills—making it difficult to predict and manage their overall costs. At the peak of the price hike, the utility charged as much as \$3 per therm. (In January 2022, observed rates were \$.83569, but by January 2023, they had risen to \$3.44892).

## Solution

Utilize CCA's Energy Procurement Services to help Superior Grocery better manage their natural gas spending and empower them to better manage their business. CCA provided detailed market information and access to its parent company, SIB, to uncover additional opportunities for cost savings.

## Results

Cost Control Associates sources energy in deregulated marketing for electricity and gas by leveraging buying power and managing volatility in energy markets.

During February 2023, the expenses for utilities supply totaled \$381,500. We secured a fixed price and reduced their monthly cost by 76% to \$89,400. Considering utility prices tend to fluctuate on a monthly basis, our client can potentially save \$3.5 million by maintaining this level of savings for a full year.



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## About Cost Control Associates

Cost Control Associates, an SIB company, is the unbiased energy and utility advisor that business trust to procure, optimize, and manage best-in-class energy programs from end-to-end. We manage your data, price, and demand to reduce risk, prevent service disruptions, capture energy savings opportunity, and advance sustainability goals.

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