

JCPenney's 2007 Accomplishments

The JCPenney Energy Team had another great year in 2007, winning for the second year in a row, the ENERGY STAR Partner of the Year for Energy Management (2007 and 2008). With 50 new stores, the addition of their new Sephora line at 42 stores (each consuming 480,000 kWh per year), an increase of 40% in major store renovation projects, and a 1.2% increase in store operating hours, JCP held the line using approximately the same amount of energy as they did in 2006. This was accomplished through the following initiatives:

Energy Management Systems (EMS): This project is completing its fourth year, with 188 stores receiving a complete upgrade in 2007, bringing the total number of stores upgraded and centrally monitored to 731. When completed, the total investment of \$45 million will encompass 800 of JCPenney's largest stores. The current actual savings performance for all upgraded stores that have been online for 12 months or longer is a 7.6% reduction in energy compared to the base year. This equates to 19,887,050 kWh saved and \$1,889,270 in annual avoided energy cost.

Lighting Projects: In 2007, JCPenney performed lighting retrofits (lamps, ballasts and fixtures) in 167 stores, with projected annual savings of 27,196,930 kWh and \$2,583,708 in annual avoided cost. In addition to these initiatives, they recycled: 225,836 ballasts, 37,357 U-Tube Fluorescent Lamps, 1,449,634 Linear Fluorescent Lamps and 147,597 CFL's.

HVAC Projects: In 2007, over \$8,500,000 was invested in high-efficiency motors, chillers, cooling towers, roof-top units and other high-efficiency equipment.

Conservation Pilot: In 2006, the Energy Team implemented a conservation pilot project with two stores and a distribution center in the Pacific Northwest. In 2007, JCPenney expanded this pilot to include new technology and an additional eight stores in the Puget Sound area. The project is in its 11th month and has reached an average of 18% reduction each month over the base year for all 11 facilities combined. This equates to over 4.6 million kWh saved per year, providing over \$300,000 in avoided cost and reducing CO2 emissions by 3,087,248 pounds. *A key focus of this project is to develop best practices and systems that will be scaled to many stores across the country.*

Green Pilot Store: JCPenney built its first "green" store in Denver to serve as a pilot for the company. This store is located in The Shops at Northfield Stapleton and was constructed using a number of sustainable building features.

New Store Construction: JCPenney is constructing all new stores with high-efficiency HVAC systems, R20 reflective white roof systems, and high-efficiency lighting.

LEED Certified Stores: JCPenney is planning two LEED-certified stores that are scheduled to open in 2009.

ENERGY STAR Label: In 2007, four JCPenney stores became the first retail stores in the country to earn the ENERGY STAR Label under ENERGY STAR's new benchmark rating for non-grocery retail stores.