

# CKE RESTAURANTS, INC.

Juliann Rogers  
Energy Manager  
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# OUCH!



# CKE Restaurants, Inc.

- Parent Company of 3,092 Carl's Jr. and Hardee's restaurants
  - 1,149 Carl's Jr.
  - 1,927 Hardee's
  - 42 States
  - 13 Countries
  - 32% Company Operated
  - 68% Franchise/Licensee Operated

# CKE Restaurants, Inc. Cont.

- Electric Spend \$94 million
  - Corporate \$35 million
- Natural Gas Spend \$33 million
  - Corporate \$12.4 million
- Water & Sewer Spend \$16 million
  - Corporate \$6 million
- 843 Corporate Vendors

What did the baby light bulb  
say to the mommy light bulb?

“I love you watts and watts!”

# CKE's Energy Strategy

## **Assess and Benchmark all Systems – Both Sides of the Meter**

- What are current utility rates
- Existing contracts
- What states/utilities are de-regulated
  - Rules and regulations governing de-regulations
- How much gas and electricity are we using today
  - What is our load profile
  - Establish benchmarks

## **Measure, Monitor and Maintain**

- Insert a process for capturing all applicable usage information
  - Outsource bill pay
  - Sub-metering
- Monitor usage for changes
- Maintain the benchmark with training, educations and reward programs

## **Improve The Benchmark**

- Request rate audits from your utility to ensure your sites are on the best rate
- Implement a purchasing strategy
- Improve the benchmark with training, education and reward programs
- Request energy audits from your utility
- Set energy efficient goals and put together a plan to achieve those goals

## **Set a New Benchmark**

# What can you do for CKE?

## Assess and Benchmark Systems

- Have a good knowledge of the rate options available
- Know what each line item is on our bills
- If de-regulated, what are the rules and regulations governing 3<sup>rd</sup> party purchases
- Provide usage/cost reports for individual sites and aggregated sites
- Assist in benchmarking individual sites

# What can you do for CKE cont..

- Measure, Monitor and Maintain
  - Provide online reports for individual sites and aggregate
  - Provide year over year energy/cost comparisons
  - Provide educational materials and training



# What can you do for CKE cont...

- Improve the Benchmark
  - Energy Audits
  - Rebates/Incentives
  - Rate Analysis
  - Educational material and training
  - Assistance in measurements and verification of new technology

# New Construction Challenges

- Clear concise instructions on what applications/paperwork is required and when
- No consistency between Service Planning Departments
- Terminology is different from utility to utility
- Developers responsibility

# Please Don't.....

- Insist that Carl Karcher is the only authorized person to make changes to the account
  - Phone numbers and names all change from time to time
  - Tax ID should be the identifying authorization
- Insist that we show up in person to pay deposits
- Insist that snail mail is the only way you can send me a copy of my missing bill
- Confuse franchisee sites with corporate sites
- Penalize the corporate sites for previous franchisee transgressions
- Hit me with a \$50,000 bill with out some previous conversations

# Thank you for the little things....

- Single point of contact for all issue
- Accepting credit card payments
- Automated call back system
- Quick call backs
- Knowing the difference between Corporate and Franchisee
- Email notifications of planned outages
- Having email addresses
- For being calm during my periods of utility rage

# CKE's Environmental Responsibility Plan

- Pressure from Investors
- Established a “Green” team, sanctioned from the top down and consisting of members of all departments
- Began by establishing our current status on energy efficiency initiatives, sustainability and any initiative affecting the environment
- To date, decisions have been made based on a reasonable return on investment
- Where do we go from here?

Why did the lights go out?

Because they liked each other!