



Case Study: Gap Inc.

Innovative Expertise & Financing Drive Savings Across Markets

Gap Inc.

In the 50-plus years since it was founded, Gap Inc. has grown from a simple retail jeans store into four multi-billion dollar brands with a global ambition to champion equality, inclusivity, and sustainability. As part of its sustainability commitment, Gap Inc. has set a goal to reach 100% renewable energy across its global owned and operated facilities by 2030.

The company's Fresno Distribution Center, in California, figures prominently in its sustainability plans. Gap Inc. originally installed 1MW of solar at the facility in 2008 and then, a decade later, signed a power purchase agreement to develop another 3MW of solar on adjacent land.

True to its innovative spirit, Gap Inc. was also an early adopter of energy storage. Since 2018, Stem's Athena® software has operated the Fresno Distribution Center's energy storage system. Stem is now installing a 3.8MWh system at Gap Inc. facility in Ontario, Canada that will deliver significant utility bill savings with no upfront costs.

“ We're always looking for opportunities to reduce our energy spend. I've been really impressed by Stem's knowledge of storage and how we can get the most value from it in different markets. And Stem's financing capabilities meant we didn't need to spend any money upfront to drive a lot of value down the road.

Stephen W. Brown
Global Strategic Sourcing Manager, Gap Inc.



Location

Fresno, CA

Facility Type

Distribution Center

Solutions

Energy Storage,
Utility Bill Optimization

Energy Storage System Size

1MW / 1.8MWh

Annual Savings

\$60K

Stem Operational Date

August 2018



Challenge

Gap Inc. was initially drawn to battery storage for its appeal as a cutting-edge technology that could reduce facility energy costs. More recently, the company looked to Stem for a cost-saving solution at its Brampton, Ontario distribution center. Like other Ontario businesses, Gap Inc. faced growing energy costs as a result of the province's Global Adjustment mechanism, which determines annual demand charges based on five unknown and hard-to-predict hours of the year.



Solution

Stem first oversaw the seamless integration of the Fresno system into our energy storage network after taking it over from the original project developer. From the beginning, Stem offered a degree of professionalism and engagement that Gap Inc. hadn't experienced with the original provider. When Gap Inc. considered the new Ontario project, Stem's financing capabilities and shared savings approach meant the company could realize immediate savings without an upfront capital investment.



Results

Stem's best-in-class Athena software optimizes the Fresno Distribution Center's battery storage system to provide automated, set-and-forget utility bill savings via demand charge management and energy arbitrage. Meanwhile, Stem's design and deployment experts are ensuring the Ontario system will deliver maximum savings over its 15-year lifetime. Having experienced success with storage, Gap Inc. is now looking at how new solar plus storage projects can contribute to achieving its sustainability goals.

To learn more about Stem's solutions, contact stem.com/contact-us.