



#### DECARBONIZATION OF COMMERCIAL KITCHENS





# Decarbonization of Commercial Kitchens Update for our Partners – September 2022

- Scott Heim President Middleby Ventless Cooking Solutions & Bluezone® Air Purification
  - ✓ Blodgett & Houno Combi ovens
  - ✓ CookTek
  - ✓ Evo America
  - ✓ Perfect Fry
  - ✓ Nieco Broilers + Evo VentCore
  - ✓ TurboChef
  - ✓ Wells





### Electrification Agenda Points:

- Accelerating shift to electrification...why?
- Equipment innovations in foodservice
- What are some of the lingering barriers to go to electric power? Some Myths too...
- Electric regulations & recent SEC vote
- Summary



# Accelerating Shift to Electrification...Why?

#### **Corporations Pressing Forward:**

- Microsoft in 2020 broke ground on 18-story all electric building.
   Cafeterias supporting 9 dining concepts & 10,000 meals daily by 2023
  - sodexo\*

- Intel set "net-zero" emissions goal by 2040.1 Achieve by:
  - Building on prior success, direct emissions down 75% over past decade
  - > Addressing chemicals used in factories
- JP Morgan building 1,388-foot skyscraper, tallest & largest NYC building.
  - ➤ Net-zero emissions, open in 2025²
  - > Stated need to get ahead of NYC law(s) on combustible fossil fuels









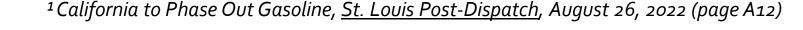
<sup>&</sup>lt;sup>1</sup> Intel Sets Net-Zero Goal, <u>Wall Street Journal</u>, April 14, 2022 (page B<sub>5</sub>)

<sup>&</sup>lt;sup>2</sup> JP Morgan Goes All Electric for Its New Headquarters, <u>Wall Street Journal</u>, April 15, 2022 (page B<sub>3</sub>)

# Accelerating Shift to Electrification...Why?

#### California to Halt Combustion Engine:

- Decision by CARB, all new cars, trucks & SUVs to run on electricity or hydrogen by 2035.<sup>1</sup> Shifting fast:
  - > Starting in 2026, when 33% of all vehicles sold w/ 'zero' emission
  - > Automakers could be fined \$20,000 per vehicle sold short of goal
- Now, 17 States state to follow California's lead:
  - Washington State & Massachusetts declared will follow California ASAP
  - New York & Pennsylvania have even stricter tailpipe emission standards





# Accelerating Shift to Electrification...Why?

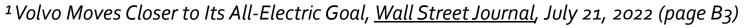
#### **Automobile Corps. Shifting Fast:**

• **GM** dramatic shift to EV production. Buick going all electric by 2030

- gm
- **Volvo aims to become pure electric** by 2030.¹ Shares reflect changes:
  - European Auto Mfg. Assoc. said share of electric + hybrids = 19%
  - ➤ Volvo share of electric + hybrid now at 31% of company sales
- After 122 years, Dodge shifting focus to EV:
  - > By 2030, goal is to 50% of sales to battery powered models2
  - > Even full-size Ram pickup truck, electric launch in 2024







<sup>&</sup>lt;sup>2</sup> Dodge Unveils Electric Muscle Cars, <u>Wall Street Journal</u>, August 18, 2022 (page B1)



Opportunities NOT trade-offs!

#### **Ventless Action Stations:**

- Electric fuel
- Non-traditional sites
- Select location, based on demographics
- Clean sight line to meal preparation, reinforce freshness message
- Utility savings (reduce make up air)





Opportunities NOT trade-offs!

### **Ventless Equipment:**

- Accommodate all culinary needs
- Mobile and semi-portable, so you take your assets with you
- Add cooking throughput in existing kitchens
- Ghost / Dark / off-premise urban sites
- Oak View Group with Strategic Goal (only electric fuel)





Opportunities NOT trade-offs!

### **Ventless Equipment:**

- Little Caesars Arena, 80% of concessions ventless action stations
- Not stuck under Type I Hood, so operators able to move the station
- Post COVID world, reduce the lines
- Spark impulse sales with food prep. next to the beverages







Apples to Apples comparisons (....TYPE I Hood....)





# Redefining the Limits of Ventless

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#### Ventless *electric* Broiler Innovation:

- Busted industry norms for temperature
- Over 1,500 Whoppers® in 8 hours
- Think of the utility heat savings
- Energy Star benefits (REBATES)





# Redefining the Limits of Ventless

#### High Speed Cooking Innovation:

- Three (3) cooking technologies: rapid cook, impingement, convection, or any combination
- Autoload / unload
- Think of the utility heat savings

SPECIFICATIONS: 3 PHASE, 208/240V, 39A-49A MAX CIRCUIT 50A







# Improving electric griddle performance

#### **Smart Heat Electric Plancha Innovation:**

- All about instant recovery and searing ability: high volume, 200° to 700° variable temps, surrounding drip tray for easy capture
- Install on refrigeration base (space use)
- Chipotle tested for 1 ½ years

SPECIFICATIONS: 3 PHASE, 208/240V, 40A-45A MAX CIRCUIT 50A







# Some the Lingering Foodservice Barriers?

#### **Electric Fuel vs. Gas Myths:**

- Recovery is slow
- Cost issues



- Past behavior and BTU perception (gas flame!)
- Temperature limits (advances and speed with induction cooking!!!)





# Never Get Approved...my city is tough

### Compliance! Success in 98 metro areas



 Grease capture set by EPA 202 testing





#### INTERNATIONAL

- Bahamas
- Canada
- Chile
- China
- Costa Rica
- England
- Indonesia
- Iraq
- Macau
- Mexico
- · St Lucia
- Sweden



# Electric Regulations & Sustainability News

#### SEC Vote1:

- Voted 3 to 1 to advance proposed rule requirement
- Disclose climate risks, and emissions generated directly by operations
- Energy consumption will need to be reported
- Sustainability strategic initiatives highlighted





<sup>&</sup>lt;sup>1</sup> Gensler Stages a Climate Coup, <u>Wall Street Journal</u>, March 22, 2022 (page A18)

### Electric Regulations & Restaurant Development News

#### **Metro Area Regulations:**

- Berkeley in 2019, then S. California
- Denver, Chicago, Detroit and NYC legislation, recently Washington D.C.
- No Energy Star? "No go in D.C."
- Energy consumption will need to be reported
- Corporations (OVG...) declaring and making shift





#### **Action Plans to Pursue**

#### How to drive the momentum:

- Southern California Edison test kitchen center (Ohio just completed a new test kitchen)...Seeking more
- Invited EPRI to attend NAFEM in Feb. of 2022
- Energy Star & Rebates on Electric powered equipment
- FCSI (Foodservice Consultant Society International), the designers and restaurant experts...perhaps a NAFEM panel?
- Middleby Corp. and the Independent Representative Network





## Summary

- Conveyed electrification of everything
- Reinforced the foodservice & ventless innovations
- Electric power vs. gas myths (...more news at NAFEM in '23)
- Electric regulations and SEC mandate



Contact



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# T H A K N

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