

## Walgreens Becomes First Drugstore Chain in the U.S. to Install a Geothermal Energy System

DEERFIELD, Ill., November 08, 2010 - Walgreens (NYSE: WAG)(NASDAQ: WAG) today announced the opening of the nation's first drugstore chain location to utilize geothermal energy for heating and cooling. The location, in the Chicago suburb of Oak Park, Ill., is expected to reduce its energy usage by about 46 percent as a result of the geothermal system.

"This is the most innovative and sustainable Walgreens yet and we are proud to showcase our commitment to the environment here in Oak Park," said Walgreens vice president of facilities development Tom Connolly. "We are always looking for new and creative ways to reduce our carbon footprint. After considering the use of geothermal, we have now made it a reality."

Last year, The Village of Oak Park passed an ordinance requiring any retailer that wants to build a commercial property within its village limits to investigate geothermal energy. The ordinance is one of the ways Oak Park actively includes residents and retailers in its mission to be a clean, green and sustainable community.

Walgreens worked on its Oak Park location with Evanston, Ill.-based Indie Energy, which specializes in designing and installing geothermal systems. The company's Smart Geothermal TM technology system significantly cuts heating and cooling costs and helps reduce greenhouse gas emissions.

"Walgreens adoption of Indie Energy Smart Geothermal technology places it at the forefront of national retailers when it comes to extreme energy efficiency," said Indie Energy Chief Executive Officer Daniel Cheifetz. "This store provides online, real-time proof of carbon and cost savings, making it a leading example of sustainability."

The Oak Park Walgreens geothermal system harnesses the earth's heat utilizing a network of four closed-loop boreholes installed to depths of 650 feet, and a heat exchange system with the building that is controlled by Indie Energy EnergyLoop<sup>TM</sup> technology. A water-based heat transfer liquid exchanges heating and cooling energy with the earth, which provides a constant temperature of 55 degrees Fahrenheit. Inside the store, the geothermal heat pump and refrigeration systems pull heating energy from the fluid, or reject heat to the fluid to cool. The EnergyLoop<sup>TM</sup> system monitors and optimizes this exchange in real-time to provide the maximum energy efficiency.

Connolly said, "This type of system can work anywhere, but makes a lot of sense here in the Midwest. The ability to heat to room-temperature from 55 degrees, rather than from 10 degrees or cool it from 98 degrees will save a lot of energy."

Not only does this sustainable energy alternative reduce the store's carbon footprint, it also cuts down on heating and cooling costs. The energy saved at this location alone is equivalent to removing nine cars from the road or planting 43 acres of trees.

An informational kiosk at the store will show customers energy usage and savings from the geothermal system in real-time. The store was also built with other green features:

• The store uses a dimming system for sales floor lighting when natural sunlight is able to brighten

most of the sales floor.

- Polished concrete floors made from recycled content eliminates use of vinyl flooring and will save on maintenance
- LED lights are used throughout the store in coolers and in ceiling accent lighting.
- Lavatory sinks are made entirely from recycled content, and hand dryers are powered by lights within the lavatory.

## **About Walgreens**

Walgreens (www.walgreens.com) is the nation's largest drugstore chain with fiscal 2010 sales of \$67 billion. The company operates 7,608 drugstores in all 50 states, the District of Columbia and Puerto Rico. Each day, Walgreens provides nearly 6 million customers the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice in communities across America. Walgreens scope of pharmacy services includes retail, specialty, infusion, medical facility, long- term care and mail service, along with pharmacy benefit solutions and respiratory services. These services improve health outcomes and lower costs for payers including employers, managed care organizations, health systems, pharmacy benefit managers and the public sector. Walgreens Take Care Health Systems subsidiary is the largest and most comprehensive manager of worksite health centers and in-store convenient care clinics, with more than 700 locations throughout the country.

## **About Indie Energy**

Indie Energy (<u>www.indieenergy.com</u>) is a leader in smart geothermal technology for heating and cooling buildings. Indie Energy Smart Geothermal<sup>TM</sup> technology enables payback periods of under five years while delivering extreme energy efficiencies through real-time adaptive controls.