

June 2018 Leader in the News: Axiom Exergy Closes \$7.6 Million Series A with a New Thermal Storage Model for Grocery Stores

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In May, Mintz Levin client [Axiom Exergy](#) closed an impressive \$7.6 million Series A round to scale its cold-storage device for grocery stores, bringing its total fundraising to \$12.5 million. [Led](#) by Shell Ventures and GXP Investments, this financing will allow the innovative thermal storage startup to expand from two pilot installations to fleet-wide rollouts and reinforce its cloud-based data analytics for optimizing electricity consumption.

Axiom Exergy's name is as meticulous and modern as its product: an "axiom" is an established truth, and "exergy" refers to energy available for use. The 15-person startup is overturning the traditional principles of thermal storage and finding new ways to optimize the energy systems already in place at supermarkets across the country. Current systems carry significant operating costs for supermarket and other grocery retailers. Refrigeration accounts for up to 60% of supermarkets' energy consumption and over 9% of commercial consumption overall. It utilizes massive amounts of electricity to keep food at a constant temperature 24/7, with demand peaking from noon to 6 pm daily. It is a high-consumption necessity in dire need of an upgrade.

Axiom Exergy's industry-first [Refrigeration Battery](#) provides a multifaceted solution that can integrate seamlessly into existing central cooling systems, significantly cutting down startup costs for new customers. The Refrigeration Battery also stores refrigeration in insulated vessels (unlike the typical electrochemical storage used by batteries) when electricity costs are lowest, and deploys it when electricity costs are highest. This offsets a significant portion of on-peak demand charges. Its "smart battery" cloud infrastructure also enables load shifting, demand response, and other grid service platforms to generate additional savings. It also provides up to eight hours of backup cooling during a power outage, saving stores thousands of dollars in prevented food spoilage.

The Refrigeration Battery is currently installed at two large store locations for Whole Foods and Walmart in California. Axiom will use the Series A financing to expand into a multisite rollout. The company expects this rollout will be facilitated by an attractive subscription service model, the densely concentrated nature of the grocery store industry, the increase of time-differentiated energy rates for commercial stores, and the general shift of corporate focus towards sustainability. The Series A financing will also fund Axiom's development of a second-generation Refrigeration Battery product.

Shell Ventures and GXP Investments led the latest Series A fundraising round for Axiom Exergy, which also included WorldQuant Ventures, SV Tech Ventures and Meson Capital. [Previous](#) investors include Tesla CTO JB Straubel, Larry Mohr, Seabed VC, and the Stanford-StartX Fund.

Congratulations to the team at Axiom Exergy for achieving this well-earned funding milestone. We are proud to be your partners in energy storage innovation and look forward to your continued success!

This feature was originally published in Mintz's Energy & Sustainability Connections newsletter. To view the full newsletter, [click here](#).

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