

# Tesco - The Energy Challenge

Rob Etherington • September 2006

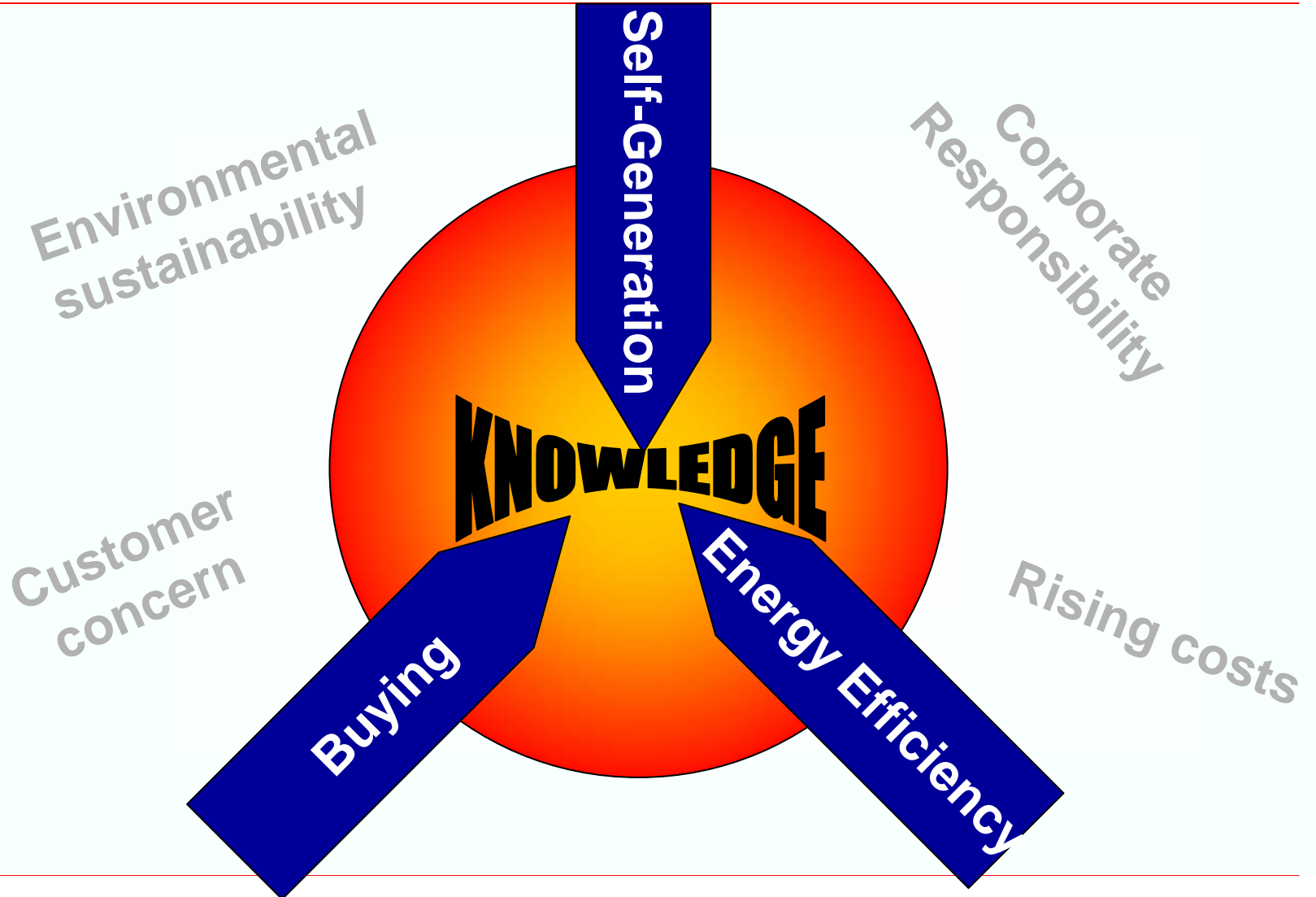
# Introduction

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- Who are Tesco?
    - ◆ **1,800+** sites
    - ◆ **2.7 TWh** electricity
    - ◆ **800 GWh** gas
    - ◆ **2,000,000 m<sup>3</sup>** water
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## How Tesco view the challenge...

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## What effect does improved Knowledge have...

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- No such thing as “knowing too much”
    - ◆ What to Buy For
    - ◆ What to Pay for
    - ◆ Monitors Efficiency projects
    - ◆ Enables M&T on sites
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# Buying Energy - now more important that ever

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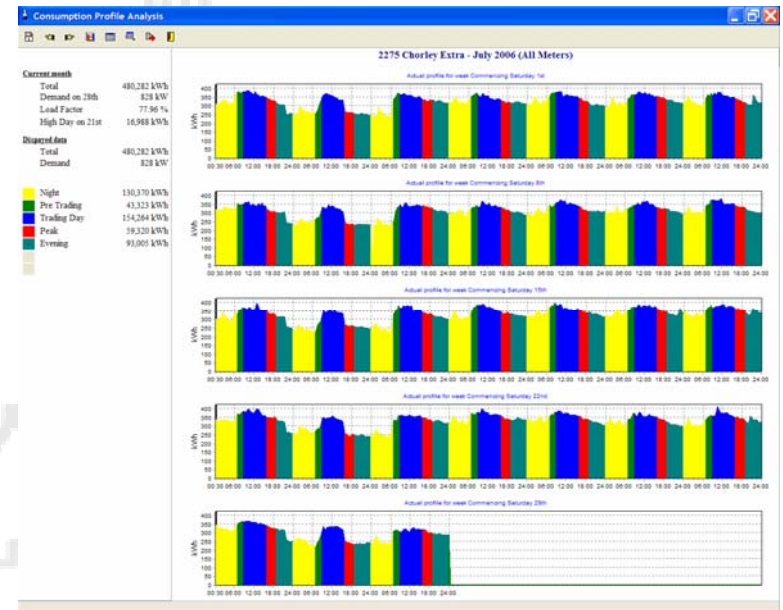
- Understand the product
- Many buying options
- Match the risk to your business profile
- Get senior buy-in to buying strategy



# Energy Bill Validation – Pay for what you use



- Advanced Meter Database
- Thorough validation procedures
- Advanced Accruals System
- AMR
- M&T



# Energy Efficiency – best opportunities for savings

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- Installing better **refrigeration** technology
- Better **air conditioning** and **heating** systems
- Using **skylights** to use more natural sunlight in stores

■ Energy efficient **lighting**

■ Motion-sensor controls on **office lighting**

■ Improved bakery **ovens** – now twice as efficient



## Self-Generation – a step further

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- ‘Showcase’ energy efficient stores in **Diss** and **Swansea**
- Combining energy efficiency and renewable generation to reduce consumption by **35%**
- Rolling the most successful elements into other stores



- **Photovoltaic** panels on the roof
  - **Wind Turbines**
  - Installation of small scale **Combined Heat & Power (CHP)** plant
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## But this is just the beginning...

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- **£100m** investment in sustainable environmental technology
- Wind turbines, solar, geothermal, CHP, tri-generation, gasification...
- Aim to cut average energy usage by **50%** by 2010
- Building the most environmentally-friendly store in the UK – beyond anything achieved so far - Wick
- Rolling out appropriate measures worldwide...

*Every little helps*

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