

Sainsbury's energy policy assignment



**ASSIGN
BUSTER**

Sainsbury's (also known as J Sainsbury PLC as its parent company) is a chain of supermarkets in the United Kingdom. The group also has interests in property and banking. The group has an estate worth about £ 8.6 billion (March 2007). Until 1995, it was UK's largest grocer (losing to Tesco at the year end and was then pushed into third by ASDA in 2003). However, the company's fortunes have improved since the launch of a recovery programme by Justin King (the company's Chief executive officer) in 2004.

They work on to improve and develop their product ranges and to meet their responsibilities to the environments they operate in. From 2006, Sainsbury's has an estimate of 153,000 employees. Energy performance in the last year

Metric	Value
Energy Efficiency 2006/2007	425 kg CO ₂ /m ² ???
With green (electricity) purchase	44 kg CO ₂ /m ² ???
Green purchase Total Tonnes CO ₂	658,166 tonnes CO ₂ e ???
With green electricity purchase	64,500 tonnes CO ₂ e ???

This is a 3.5% energy efficiency saving on last year. Energy efficiency: Sainsbury's consumes a significant amount of electricity per day.

They want to reduce the use of energy and doing so means both lower operational costs and lower CO₂ emissions. They have a long history in tracking energy performance; this includes the installation of one of the first intranet energy monitoring and targeting systems across all our stores in 1994. Improvements in energy efficiency are tracked by monitoring Carbon Dioxide emissions per square metre of sales space (CO₂/m²), as well as total emissions. Their current target is to reduce CO₂ emissions per square metre by 25% against a 2004/2005 baseline by 2012. Working with others

Sainsbury's have a long history of working closely with the Carbon Trust and are currently working on a new five-site energy and waste study. This trial looks at reducing Carbon emissions by improving current practice in energy and waste management, which if applied across the business could achieve Carbon reductions of 62, 000 tonnes a year. They continue their progress with the Climate Change Agreements with the Government. These agreements involve regular meetings with other retailers, facilitated by DEFRA, which have created useful forums to discuss and build on technical and operational improvements.

Colleague engagement They are driving colleague engagement and awareness of energy costs and environmental impact by rewarding those stores that have achieved the highest energy and cost savings. They're also attempting to harness involvement of colleagues at every level, using a mix of different media including our in-house magazines, their intranet, promoting management tools such as energy checklists and reporting of any known energy wastage. The Tell Justin campaign has doubled the number of store suggestions on energy, many of which have been implemented.

For one their products, Sainsbury's has sold their own-brand washing detergent (since February 2007), which has been re-formulated to wash at a lower temperature and be more energy-efficient. Projects Sainsbury's have invested over ? 15 million on energy efficiency projects across their existing estate since 2002 (this does not include a further significant spend during store refits and new store development). They're now installing energy-efficient lighting, refrigeration, heating and ventilation.

These technologies help drive down their total Carbon footprint and are prioritised according to cost and benefit to ensure the maximum Carbon emissions savings are achieved for the investment. Their new depot at Northampton, due to be completed in September 2007, has a number of features that will mean operationally it is much more efficient than a standard depot. Energy savings will be made thanks to improving air-flow tightness, enhanced day-lit lighting, which will let in 50% more natural light, and on-site energy production.

It will also have rainwater-harvesting facilities, which will reduce mains water usage by 50%. Their capital investments continue to be supported by their energy partners, RWE Npower, which provides technical and managerial support on many of their projects. Future focus Over the past 30 years, Sainsbury's have made huge investments in energy saving technologies, many of which are still evident in their stores today. For example, they have been recycling wasted heat from our refrigeration system for over 20 years to heat our stores.

Our immediate priority going forward is to improve and upgrade this reclaim system and embark on our energy saving programme of trialling and rolling out around 30 different energy saving projects; as well as continuing to investigate ways of generating additional renewable energy. This investment will build on their achievements of their last target (to reduce Carbon emissions by 20% between 1997/1998) and 2005 and kick off our journey to meeting the new target (as stated before in the Energy efficiency section).

The company's principles 2005-2007

Thanks to J Sainsbury PLC for providing the info below. This lists what the company has done to improve their energy usage.

2005 ??? In July 2005 we were the first retailer to conduct a trial of CO2 refrigeration system which has much less environmental impact than conventional systems. ??? We sourced 10% of our electricity from renewable sources and have delivered carbon emission reductions from our sites in excess of 20% since the baseline of 1997/8. This reduction in energy use has resulted in savings of 77, 030 tonnes of carbon per year the equivalent to the energy use of around 13, 000 homes. We reduced our road mileage by almost 5%.

2006 ??? Sainsbury's have won the carbon management City of London 'Liveable City' Award 2006. In 2001, Sainsbury's adopted a corporate target to deliver a 10% cut in carbon dioxide emissions; we not only met this target, but have doubled it. ??? By improving our green mile efficiencies we saved 29, 000 trips a year in the UK alone. ??? We increased the use of rail for transporting goods, 83% of our wine from Italian suppliers is transported to us by rail ??? saving around 543, 000 road miles a year. Tomatoes can now be grown in the UK all year round. Our tomato supplier now uses waste steam and carbon dioxide from a local manufacturer in Teeside which would otherwise have been released into the atmosphere. An additional environmental benefit is the reduction in the need to import foreign produce at a high food-mile cost.

2007 ??? In the biggest UK conversion of its kind, Sainsbury's announced that it will be the first major UK retailer to convert a fifth of its online delivery fleet to green electric vehicles.

By September 2008, 20% of online deliveries will be made using electric vans, saving 45 tonnes of CO2 emissions in the first year, and delivering

grocery shopping to 50, 000 customers. ??? Sainsbury's has launched a washing detergent which has been re-formulated to wash at a lower temperature and be more energy-efficient. The detergent now washes clothes just as effectively on a 30 degree wash, rather than a 40 degree wash or higher that is normally required.