

PUBLIC REPORT TEMPLATE

Controlling Corporation

Woolworths Limited

Period to which this report relates

Start 1 July 2008

End 30 June 2009

Part 1 – Information on assessments completed to date

Table 1.1 – Description of the way in which the Corporate Group (or part of it) has carried out its assessments

Woolworths has conducted new assessments during the reporting period, primarily in our Supermarkets division where there is the greatest potential for energy savings. Details of new assessments are provided in Part 2A.

Woolworths has also continued to work on the assessments identified in previous reporting periods for all three entities covered in this report. The total number of opportunities, the estimated energy savings and the relevant payback periods have changed for some of the original assessments due to improved accuracy of estimating energy

A Project Engineering Team was formed during the reporting period, dedicated to identifying, analysing, trialling and implementing sustainable projects. The Team includes a position for Analysis and Review of all projects and the opportunities identified in our original assessments have been reassessed.

Assessments were conducted on opportunities in refrigeration, air conditioning and lighting and successful trials completed on these technologies. This assessment has resulted in new guidelines and kit for both constructing new stores and refurbishing existing stores. 24 of the 28 supermarkets opened during the reporting period were constructed under these guidelines and delivered a total energy saving of 39,480 GJ. All new supermarkets opened in the future will meet these minimum standards.

Table 1.2 – Energy use assessed

Group member and/or business unit and/or key activity and/or site that has had an assessment completed by the end of this reporting period.	Period over which assessment was undertaken	Energy use per annum in GJ in the current reporting year
Supermarkets and Logistics	January 2008 to June 2011	7,401,865



Big W and Warehouses	January 2008 to June 2011	746,398
Dick Smith and Tandy	January 2008 to June 2011	118,545
Total energy assessed		8,266,808
Total energy use of the group in the current reporting year		10,242,010
Total energy assessed expressed as a percentage of total current energy use		80.7%

Part 1 – Information on assessments completed to date (continued)

Table 1.3 – Accuracy of energy use data		
Entity	% achieved	Reasons for not achieving data accuracy to within $\pm 5\%$
Supermarkets and Logistics	2.8%	
Big W and Warehouses	4.4%	
Dick Smith and Tandy	2.9%	

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2A - New Assessments completed during the reporting period

Name of Group member or business unit or key activity or site: _____ Woolworths Supermarkets and Logistics_____

Energy use of the entity during the current reporting period

7,401,865	GJ
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Table 2.1 – Opportunities assessed to an accuracy of ±30% or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment*	Total Identified	1,996	46,368	5,256	66,485	118,109
Business Response*	Under Investigation	720	46,368	5,256		51,624
	To be Implemented					
	Implementation Commenced					
	Implemented					
	Not to be Implemented	1,276			66,485	66,485

Name of Group member or business unit or key activity or site: BIG W and Warehouses

Energy use of the entity during the current reporting period

746,398	GJ
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Table 2.2 - Opportunities assessed to an accuracy of $\pm 30\%$ or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment	Total Identified	164	4,460	Nil	17,649	22,109
Business Response	Under Investigation	32			17,110	17,110
	To be Implemented					
	Implementation Commenced	116	3,945		535	4,480
	Implemented	16	515		4	519
	Not to be Implemented					

Name of Group member or business unit or key activity or site: Dick Smith

Energy use of the entity during the current reporting period

118,545	GJ
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Table 2.3 - Opportunities assessed to an accuracy of $\pm 30\%$ or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment	Total Identified	Nil	Nil	Nil	Nil	Nil
Business Response	Under Investigation					
	To be Implemented					
	Implementation Commenced					
	Implemented					
	Not to be Implemented					

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2B - Update of assessments originally reported in previous reporting periods

Name of Group member or business unit or key activity or site: _____ Supermarkets and Logistics _____

Energy use of the entity during the current reporting period

7,401,865

GJ

Table 2.4 - Opportunities assessed to an accuracy of $\pm 30\%$ or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment*	Total Identified	2,494	116,144	866,034	43,114	1,025,292
Business Response*	Under Investigation	6	3,384		27	3,411
	To be Implemented	2,434	98,084	819,036	41,258	958,378
	Implementation Commenced					
	Implemented	54	14,676	46,998	1,829	63,503
	Not to be Implemented					

The number of opportunities identified for Supermarkets and Logistics has been reduced as some opportunities have been consolidated into projects, which are being implemented as standard parts of either new store construction or refurbishment of existing stores. Analysis work by the Group's new Project Engineering Team has improved the accuracy of estimating energy savings from projects. Energy savings from implemented new stores are based on comparing the energy use of the new stores to the energy use of new stores opened in the year prior to developing sustainable design guidelines.

Estimated energy savings from projects to be implemented have also been improved as the justification for progressing with a significant number of these projects has been based on the successful trial of refrigeration improvements in eight refurbished stores.

Name of Group member or business unit or key activity or site: _____BIG W and Warehouses_____

Energy use of the entity during the current reporting period

746,398	GJ
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Table 2.5 - Opportunities assessed to an accuracy of $\pm 30\%$ or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment*	Total Identified	1,657	119,056	24,307	7,168	150,530
Business Response*	Under Investigation	1,450	112,336	23,888	5,589	141,812
	To be Implemented	14	510			510
	Implementation Commenced	90	321		1393	1,714
	Implemented	23	801	419	186	1,406
	Not to be Implemented	80	5,088			5,088

The opportunities identified and the estimated energy savings have been updated for BIG W due to improved assessment of opportunities in trial stores and real measurement of the energy savings resulting from the trials.

Name of Group member or business unit or key activity or site: _____ Dick Smith and Tandy _____

Energy use of the entity during the current reporting period

118,545	GJ
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Table 2.6 - Opportunities assessed to an accuracy of $\pm 30\%$ or better

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (GJ)			Total estimated energy savings per annum (GJ)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment*	Total Identified	1,924	8,906	13,325	12,329	34,560
Business Response*	Under Investigation	948	5,393	10,641	12,329	28,363
	To be Implemented	264		2,684		2,684
	Implementation Commenced					
	Implemented	712	3,513			3,513
	Not to be Implemented					

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2C - Details of at least three significant opportunities found through EEO assessments

Table 2.5 – Description of 3 significant opportunities

Opportunity 1

Project CO2 – An internal project conducted in Supermarkets, focusing on improving energy efficiency of refrigeration systems in stores. An eight store trial was initially conducted on refurbishing existing stores with refrigeration innovations including: glass lids on island freezers, high efficiency fans, LED lighting, pulsing anti sweat heating for glass doors.

The trial delivered a total energy saving of 6,797 GJ, with a payback period of under four years. Results from the trial have provided justification for further roll-out of the project to an initial 30 stores, saving 25,488 GJ, and further investigation for implementation in the remaining 667 stores, with a saving of 566,683 GJ.

These works will be incorporated into scheduled refurbishments for existing stores over the next five years.

Opportunity 2

Green Store Standard for New Supermarkets – During the reporting period Woolworths opened 28 new supermarkets, of which 24 conformed to the sustainable design guidelines that have been developed new stores. The innovations in these stores included a range of opportunities that had been included in our original energy efficiency opportunity assessment. These initiatives include:

- New refrigeration plant which, depending on location and suitability, used carbon dioxide as a refrigerant or synthetic refrigerants with a lower global warming potential than traditional refrigerants. These systems are also more efficient in energy use.
- High efficiency fans, LED lighting in freezers, low heat glass doors or anti sweat controls and automatic night blinds.
- Heat reclaim from refrigeration compressors for use in air conditioning.
- T5 fluorescent lighting.

These design guidelines continue to be updated as new innovations are trialled in stores. Glass lids for island freezers have now been added to the new store kit.

Analysis of energy use in the 24 new stores measured an average energy use of 7,582 GJ per annum for each store. New

stores opened in the previous financial year recorded an average energy use of 9,227 GJ per annum for each store. Using the Green Store standard saves 1,645 GJ a year for each store, which equates to a 39,480 GJ saving each year for all Green Stores in the reporting period. This saving will continue to increase with each new store opened.

Opportunity 3

Lighting Upgrades in Supermarkets – Three projects have been identified for improving the efficiency of lighting in existing supermarkets, whether through the upgrade of fluorescent lighting from T8 to T5 technology or the retrofit of LED lighting in trading areas.

Budget approval has been given for 248 opportunities to replace T8 lamps with T5 lamps, as a part of the major refurbishment program over the next five years. T5's are now part of the refurbishment kit for these capital works and the 248 opportunities are forecast to save a total of 81,959 GJ, with a payback period of less than four years.

The two other projects are awaiting budget approval. A further 221 opportunities have been identified for replacing T8 lamps with T5 lamps as a part of the Stay In Business capital works. Budget approval and implementation of the opportunities could realise an energy saving of 73,036 GJ, also with a payback of less than four years.

361 opportunities have been identified for the retrofit of LED lighting in trading areas as part of the major refurbishment program. Budget approval and implementation could realise an energy saving of 57,789 GJ, with a payback of less than three years. This project was originally on hold due to initial low lighting levels, but the opportunities are now being reconsidered.

Implementation of all three lighting projects offers the opportunity to save a total of 212,784 GJ of energy.

Opportunity 4

BIG W Air Conditioning Control Upgrades – The following two projects were successfully trialled in store and are being planned for implementation.

109 opportunities were identified for increasing the drift of temperature set points for heating and cooling after hours, when night fill duties are being completed. Cooling set point will be increased to 25 degrees and heating set point to 18 degrees, so that the air conditioning does not have to work as hard after hours. Staff feedback was positive during the three trials and the roll-out to another 109 stores could result in an energy saving of 28,959 GJ.

The second project involves 147 opportunities for adaptive optimum start for air conditioning, where the Building



Management System uses historical start up temperature conditions and existing building temperature to determine the optimum start time for heating and cooling so that target set point conditions are achieved by start of trade. The 147 opportunities are expected to deliver a 17,444 GJ saving.

Both projects are forecast to deliver a total energy saving of 46,403 GJ.

Part 3 - Voluntary Contextual Information

Table 3.1 – Contextual Information

In November 2007 Woolworths Limited issued its Sustainability Strategy 2007-2015, detailing a range of targets and commitments for reducing the environmental impact of the company. This strategy has been followed up by two Corporate Responsibility Reports, for 2008 and 2009, which explains the progress that Woolworths has had in achieving those targets.

The Strategy and both Corporate Responsibility Reports can be viewed at www.woolworthslimited.com.au.

Table 3.2 – Energy use expressed in Greenhouse Gas emissions and as an energy use indicator

Period of energy use _____ to _____

Name of group member/ business unit/ key activity/site	Energy use pa (GJ)	Energy use pa (GGE)	Energy use as an indicator*
Total			


Table 3.3 - Opportunities assessed to an accuracy of ±30% or better (\$ value)

Status of opportunities identified		Number of opportunities	Estimated energy savings per annum by payback period (\$)			Total estimated energy savings per annum (\$)
			0 – < 2 years	2 – ≤ 4 years	> 4 years	
Outcomes of assessment*	Total Identified					
Business Response*	Under Investigation					
	To be Implemented					
	Implementation Commenced					
	Implemented					
	Not to be Implemented					

Part 3 - Voluntary Contextual Information (continued)

Table 3.4 – Changes in energy use as an indicator			
Name of group member/ business unit/ key activity/site	Current energy use as an indicator	Previous energy use as an indicator	Reasons for change
Total			

Part 4 - Declaration

Table 4.1 - Declaration of accuracy and compliance (mandatory information)	
<p>The information included in this report has been reviewed and noted by the board of directors and is to the best of my knowledge, correct and in accordance with the <i>Energy Efficiency Opportunities Act 2006</i> and <i>Energy Efficiency Opportunities Regulations 2006</i>.</p>	
	<p>Mr. Michael Luscombe Managing Director and Chief Executive Officer Woolworths Limited</p>