

Tesco networking challenges.

Energy Innovation Summit

29 October 2024



Our Planet pillars

Carbon neutral by 2035, net zero by 2050.

+

65% healthy sales

Half environmental impact of the basket

Improve our products

Reduce the environmental impact of the things we sell



Decarbonise transport

Reduce emissions created when we move our products



Reduce store emissions

Minimise emissions from our stores and centre



Support sustainable consumption

Help customers switch to healthier, more sustainable food



Eliminate waste

Reduce food waste and packaging from production through to our customers' homes



Protect nature

Work with nature to restore habitats, protect water and increase biodiversity



Our carbon targets



2035 Scope 1 and 2



2050 Scope 1, 2 and 3

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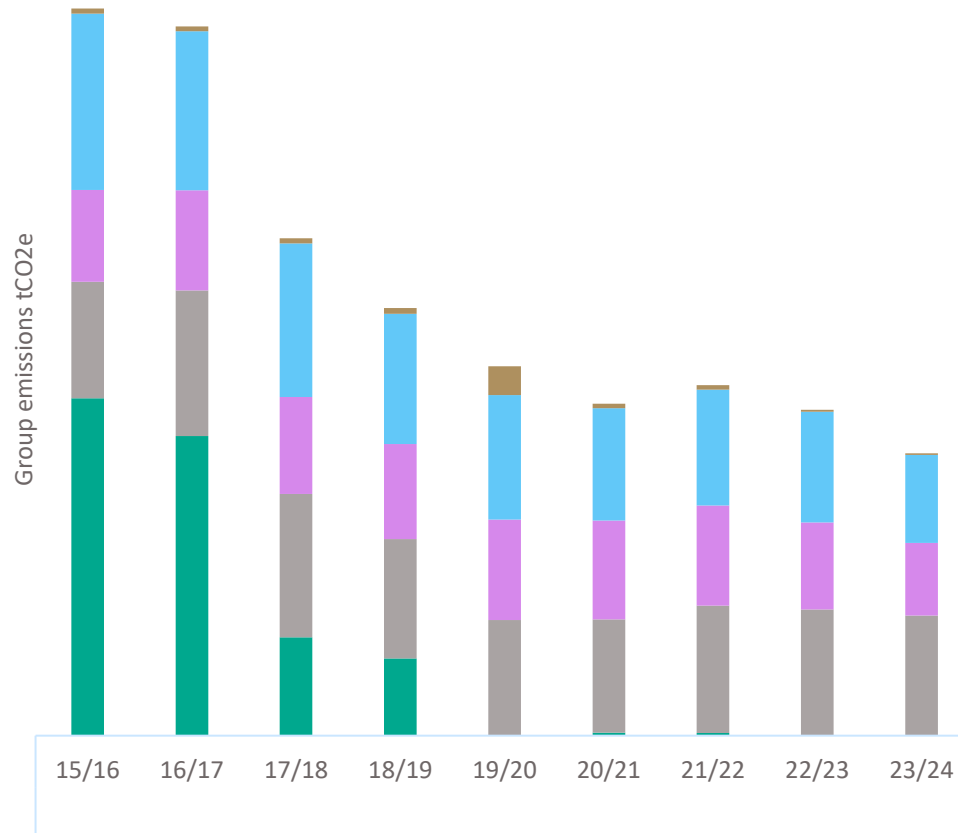


Protect nature

Work with nature to restore habitats, protect water and increase biodiversity



Scope 1 and 2 reductions to date.



Plans in place

Transition to CO₂ - based refrigeration systems

Replace gas boilers with heat pumps and heat reclaim systems

Innovation required

Transport decarbonisation requires innovation for electrical capacity requirements

Decarbonising our fleet.

10 years to transition to a mix of electric and hydrogen technology



Fuel fleet

Tractors: (all 44t GVW)

Tanker trailers



Distribution fleet

Rigid vehicles: (Range 10t – 26t GVW)

Tractors: (Range 38t – 44t GVW)

Trailers: (Range 8m urban – 13m moving deck double deck)



Dotcom fleet

Electric vans

Diesel vans



Distribution centres across DNOs.

Locations are across the country and covering nearly every DNO region



Sufficient **power capacity** required across the **entire** distribution centre estate

10 Years

Summary of our challenges.

Three main challenges when navigating connection requests



Need **cross industry collaboration** to reduce cost and decarbonise businesses



10 years to deliver and quoted timelines are not **guaranteed**



Any planned capacity increases **aren't** delivered in **time or at all**

Ideas for addressing challenges.

Our aim is to firm up capacity requirement

Increasing innovation

Getting clarity and detail on actual capacity needs

- Understanding how **on-site generation** and **demand flexibility** (e.g. batteries) can impact capacity needs
- Understanding how Tesco will **use** its capacity based on fleet charging schedules

Working with the DNOs to understand network constraints and workarounds

- Understanding **capacity constraints** on the network
- Investigating existing capacity solutions – e.g. **sharing capacity**, defining **times** when Tesco **can / cannot** charge
- Connecting to the network at **different locations** by running a cable

Working with the DNOs to develop new innovative solutions

- Temporary increases in capacity – e.g. capacity trading
- Other new capacity innovation products



Please speak
to us today.

We'd welcome a discussion on other innovation ideas to decarbonise our business.

Tom Burman

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Thank you.

