

# Case Study

CLEAN  
AIR



COOL  
PLANET

## The Corporate Program

# at work with **Shaw's** Supermarkets

The working relationship between Shaw's Supermarkets, the second-largest grocery chain in the region, and Clean Air-Cool Planet illustrates the way CA-CP engages and advises corporations.

Shaw's operates more than 200 outlets across six states, with an operating profit exceeding \$230 million. The retail grocery business is energy intensive, requiring around-the-clock heating, cooling and lighting, as well as extensive transportation, offering ample opportunities for greenhouse gas reductions. Since 2000, we have collaborated with Shaw's on more than 30 projects designed to minimize greenhouse gas emissions, ranging from store operations to energy conservation, transportation and renewable energy investment. We focused initially on two areas: energy monitoring and lighting.

### Clean Air-Cool Planet

Clean Air – Cool Planet (CA-CP) is a science-based, non-partisan 501(c)(3) organization working with corporations, communities, and campuses in the Northeast to reduce emissions of pollutants that cause global warming.

The goal of the corporate program is to provide businesses with solutions for energy saving that suit their needs, make financial sense, and lower carbon dioxide (CO<sub>2</sub>) emissions. Clean Air - Cool Planet works by forming partnerships with companies to effect changes at the local level. We encourage the use of, and investment in, renewable energy sources. We educate people on the economic, health and environmental benefits of reducing air pollution.

CA-CP annually presents Climate Champion awards to leaders in corporate, campus, and community action on climate change. In 2003, Shaw's received the inaugural award for corporate action on climate change, an award shared in 2005 by Bank of America.

In the past five years, we also:

- ◆ acted as facilitator between Shaw's and technology suppliers, scientists, regulators, architects and consultants;
- ◆ provided Shaw's with environmental intelligence and technical assistance to help refine a corporate-wide energy strategy;
- ◆ invited Shaw's to participate in our annual Northeast Corporations for Climate Action forums, both through sponsorship and by taking part in panels and forums to teach other companies about Shaw's' successful energy strategies;
- ◆ helped Shaw's become one of the first supermarket chains to offer customers a means to offset the carbon emissions associated with their homes and businesses;
- ◆ and retired green tags<sup>1</sup> on their behalf.

We regularly publish the success of Shaw's' energy saving efforts in order to show others what can be done. This also enhances the public's perception of Shaw's as an environmentally responsible company.

### Finding solutions

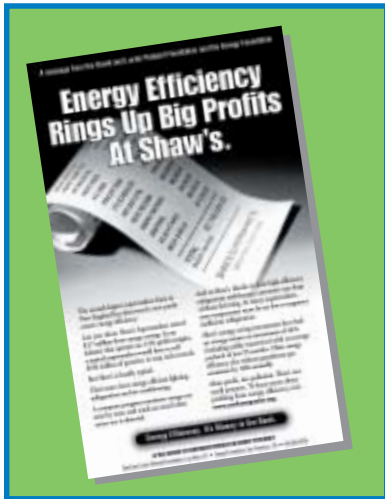
Our first meeting with Shaw's involved several of our board members and staff, as well as energy and environmental consultants. During the meeting, Kathy Loftus, then director of Energy and Environmental Management at Shaw's, presented

<sup>1</sup> **Green tags** "When electricity from a renewable energy producer is used or sold into the power markets as simply electricity, without taking any environmental credit for the source of that power, the environmental attributes of that renewable energy can be sold or traded separately as a commodity, called green tags. Green tags (also known as green energy certificates and tradable renewable certificates) provide an additional revenue stream to the project and can be sold to companies and consumers anywhere in the country. In this way, companies and consumers can choose green power even if their local utility does not offer a renewable-based power product." [From the US Department of Energy, Energy Efficiency and Renewable Energy (EERE) office] We regularly help our partners with such environmental financing. After Shaw's was taken over by Albertsons in 2004, they purchased \$30,000 in green tags, designed to offset emissions in three Rhode Island stores, as a pilot program. We retired the tags on their behalf.

commitments Shaw's made to Cool Planet when they began working with us, that they would create the most energy efficient grocery store in the region, the store is expected to achieve energy savings of more than 25 percent over that of a standard store.

## Communicating Success

Another way in which CA-CP is able to make a difference is through publicity. We work to give our business partners public credit for their responsible environment policies and use their example to show others what can be achieved. Before CA-CP met with Shaw's, the retail grocer had already made successful strides in energy conservation, but had done little to publicize this. With our help, the environmental section of the company's website went from four lines in 2001 to more than ten printed pages in 2004, including photos of projects, a breakdown of initiatives and a list of steps that suppliers, vendors and customers could take to help fight climate change.



*Energy Foundation ad*

We have been able to use Shaw's example in a number of ways to demonstrate to others what can be done. CA-CP produced a three-page case-study on the energy conservation efforts, and resulting cost savings, made by Shaw's and included this in a publication of 24 such reports entitled *Cool Solutions to Global Warming, Success Stories from the Northeast*. The piece was also featured in one of the largest daily newspapers in New Hampshire, which generated a regional Associated Press article, and a cover story in a state-wide business publication in Maine, a core market for Shaw's.

CA-CP also helped Shaw's to enhance its image with its customers by developing a climate-change message that was displayed in Shaw's stores throughout New England. Through subtle messaging, check-out monitors told the story of the CA-CP/Shaw's partnership and the resulting reduction of the chain's environmental footprint. The campaign was rolled out in April, 2003, at more than 180 locations.

Another example of our ability to promote the energy-saving efforts of our business partners came up through one of our funders. The Energy Foundation approached us with an idea to run a series of advertisements about the cost effectiveness of business action on greenhouse gases. They asked if we could identify Northeast corporations who had demonstrated leadership in this area. Over the course of three months, CA-CP worked to secure commitments and managed to take two (out of five) slots for our business partners, one being Shaw's and the other Verizon Communications. There was no cost to Shaw's or Verizon, and the result was a quarter-page advertisement in the *Wall Street Journal* and the *New York Times*, highlighting the companies' responsible energy policies with a solid financial angle.

For Shaw's, this was the first time they had been featured in either newspaper. Shaw's' parent company, J Sainsbury plc, took note of the positive publicity and gave it a prominent mention in their annual report and corporate sustainability report.

Later in 2003, we included Shaw's in a DVD as an example of an environmentally responsible business and invited CEO Paul Gannon to speak about climate change. This DVD, distributed to opinion leaders and policymakers throughout the region, is in regular use at meetings, workshops and conferences.

## Encouraging policy change

At a policy level, CA-CP has brought business support to the climate action plan developed by the New England Governors and Eastern Canadian Premiers. We helped convince Shaw's of the need to lend support from the business community for the plan. We helped draft a letter, signed by Paul Gannon, to the acting governor of Massachusetts, Jane Swift, encouraging the state to live up to the 2001 agreement and making the business case for action on climate change.



*Shaw's' Gannon on camera for Cool Planet DVD*