

**3%**

Annual energy cost savings delivered

**465**

TCO2 savings identified

## Case study: Grafton Group

### Background

International building materials company Grafton Group commissioned energy consultants Optimised Energy as its new energy services partner in 2018. The FTSE 250 company has DIY retail outlets in the UK, Ireland, and Europe. With a complex set-up and a large portfolio of buildings, Grafton looked to Optimised Energy to take a proactive approach in delivering process improvements, cost reductions and compliance with UK carbon legislation.

### Challenge

As with many large retailers, cost management is of the utmost importance in a highly competitive market place. With various group businesses, utilities had always been managed in an isolated fashion, and as an extension to the Finance and Health & Safety teams. Optimised Energy were tasked with:

- Reviewing historic costs to identify whether suppliers had billed accurately
- Implementing an energy bureau to validate invoices going forward
- Facilitating the rollout of smart meters across the portfolio
- Procuring electricity and gas contracts
- Ensuring that Grafton complied with the Energy Savings Opportunity Scheme

The key objectives were cost savings and process efficiency, while laying the foundations for a more ambitious sustainability initiative.

[See the solution overleaf](#)[optimisedenergy.com](https://www.optimisedenergy.com)

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### Quick Facts

Optimised Recovery delivers 1.5% cost savings following one-off historic review

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Optimised Bureau delivers 2.1% annual cost savings through energy bureau outsourcing

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Optimised Procurement delivers 4% annual cost savings in 2020 renewals

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ESOS compliance achieved on time, identifying 100 projects and 465 tonnes of carbon savings

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Smart meter rollout in progress to minimise estimated reads across portfolio

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## Solution

A multi-disciplinary service team was established across our Recovery, Bureau, Procurement and Compliance personnel, led by a Strategic Account Manager. Each team got to work in their respective areas and through coordinated activities have put in place a rigorous energy management process spanning budgeting, invoice validation, reporting and contract tendering. The Envizi platform offers a state of the art enterprise reporting solution which Grafton's various stakeholders take advantage of for energy, cost and sustainability reporting.

## Results

Immediate refunds were obtained equating to around 1.5% of annual energy spend. Meanwhile our Optimised Bureau team got to work implementing new invoice processing and validating procedures to ensure that comprehensive bill checking and tariff-based validation was conducted on a monthly basis. Savings delivered from outsourcing the energy bureau have been around 2.1% of annual energy expenditure.

Alongside the billing operations, our Optimised Procurement team conducted a full strategic review and having agreed an appropriate risk management strategy, conducted full market tenders for electricity and gas contracts. Results delivered in 2019 showed a marginal increase in rates secured, and 2020 then delivered an overall cost saving of around 4%.

Compliance with ESOS Phase 2 was achieved on time and involved around two dozen energy and transport audits. The project identified over 100 energy saving opportunities with savings potential in the region of 3% of total expenditure and the potential to eliminate 465 tonnes of carbon.

Mike O'Hara, Grafton Group's SHEQ Director explained...

"Optimised Energy were selected as our partner for energy services based on their successful track record and established expertise. Their values and standards are aligned with our own and we look forward to developing an open, honest and mutually beneficial working relationship."

▶  Optimised Recovery

▶  Optimised Procurement

▶  Optimised Bureau

▶  Optimised Compliance

"The challenge for Grafton has been to establish a group energy management and procurement strategy across multiple businesses and hundreds of sites, which delivers not only the lowest costs, but incorporates bespoke requirements. The savings achieved prove that this can be done successfully with appropriate planning and execution from both the client and service team."

- Key Account Manager, James King

100+  
Energy savings  
projects identified

100%  
Smart meter  
objective

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