

# Engaging Suppliers on Renewable Energy Sourcing



December 10, 2020

# RETAIL COMPLIANCE CENTER

The Retail Compliance Center has a number of resources related to regulations that apply in retail including introductory information as well as detailed reviews of regulations and variations in state requirements.

<https://www.rila.org/retail-compliance-center>



Webinars



Fact Sheets



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# HOUSEKEEPING

## **Everyone is muted upon entry**

- This reduces background noise during the presentations.

## **Recording**

- The slide presentations are being recorded and will be housed on RILA's RCC site for future views; no Q&A portions will be included in the recordings.

## **Posing a question/commenting**

- Please use the Q&A box to pose questions or comments
- Questions and comments posed will go directly to the panelists and moderators.
- Questions will be answered after the conclusion of the speakers' presentation.

## **Webinar Feedback Survey**

- Survey launched during Q&A as live poll

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- **Do not** discuss cost information such as production costs, operating costs, or wage and labor rates.
- **Do not** discuss profits or profit margins, including what is a "fair" profit margin.
- **Do not** discuss allocating markets, territories, or customers.
- **Do not** discuss current or future production or purchasing plans, including plans to take facility downtime, production quotas, or limits on output.
- **Do not** discuss refusing to deal with any suppliers, customers, or competitors (or any class or type of suppliers or customers).
- **Do not** require or pressure any supplier, customer, or competitor to adopt any particular actions or policies.
- Never agree on any aspect of future pricing or output.

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# Today's Speakers



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Sustainability



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One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results.

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# Agenda

① Approach to Supplier Emissions Reduction for Retailers: Scope 3 & the Supply Chain

② Gigaton PPA Program Overview



# POLL #1

Where are you in your supply chain sustainability journey?

1. Advanced – we have a robust, mature, successful program
2. Intermediate – we have developed and deployed several initiatives
3. Beginner – we are starting to map our plans
4. We have not started (yet)



# Approach to Supplier Emissions Reduction

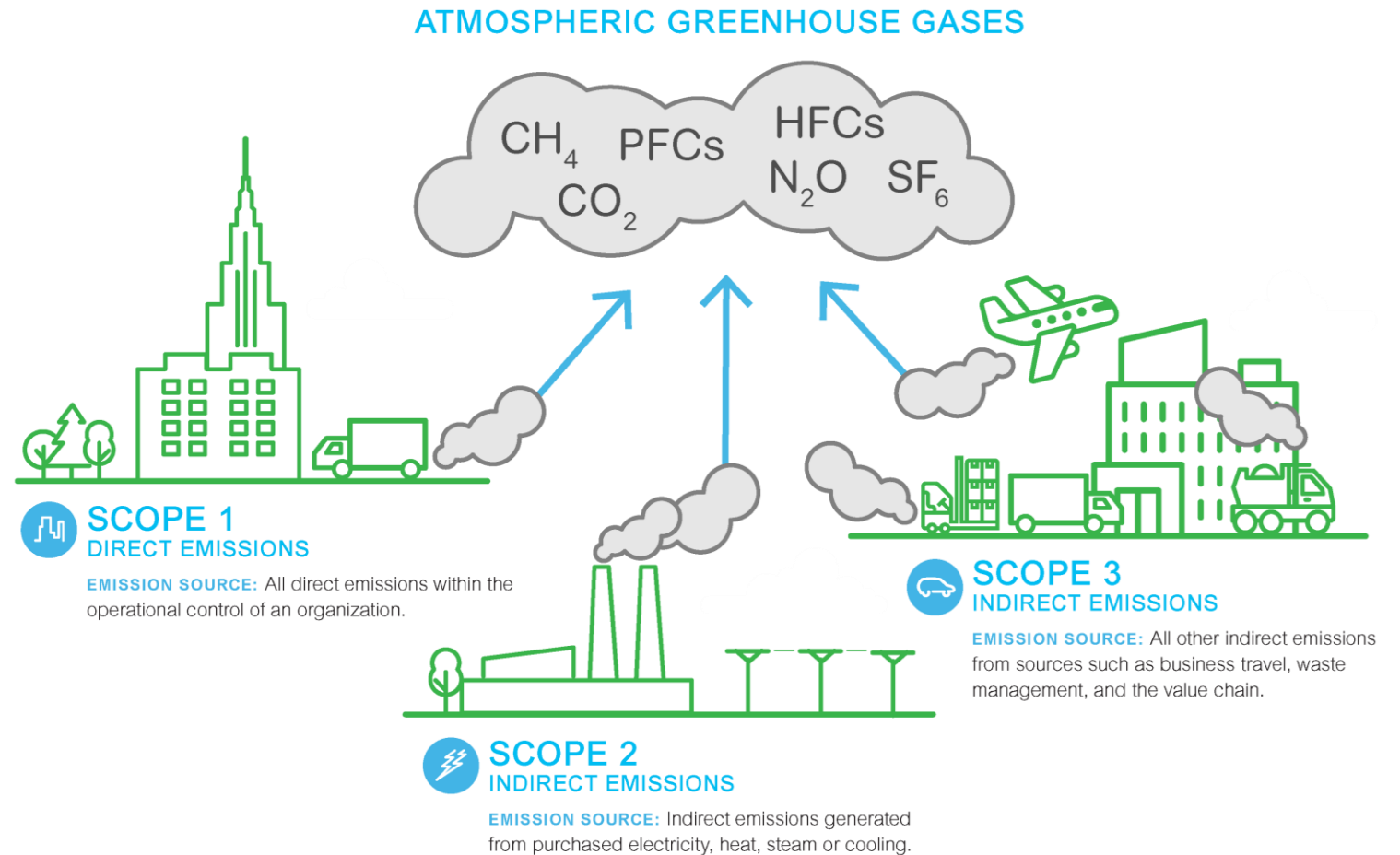


# Scope 3

## Indirect Emissions

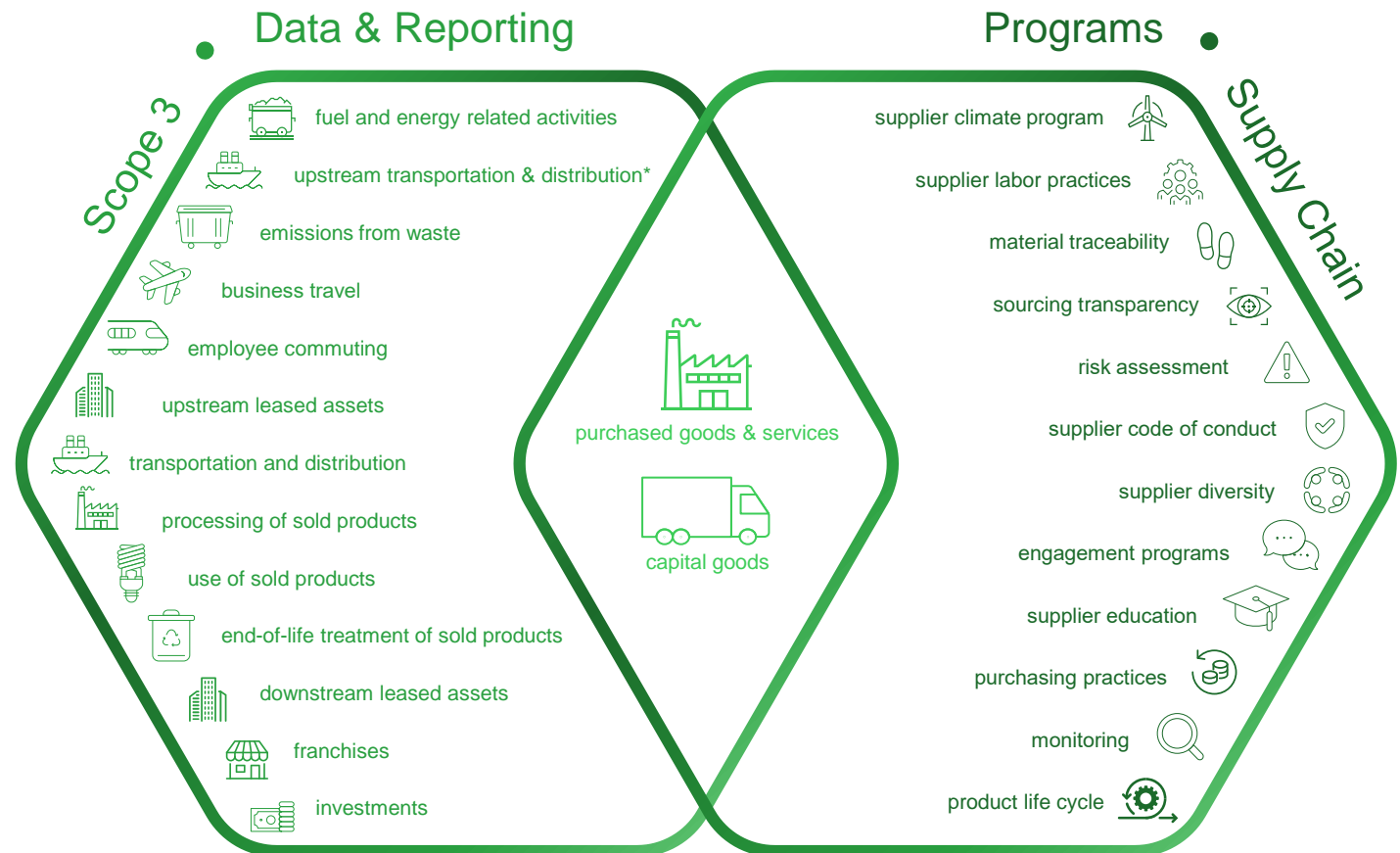
- Business Travel
- Waste Management
- Value Chain

# Greenhouse Gases Across Emission Scopes

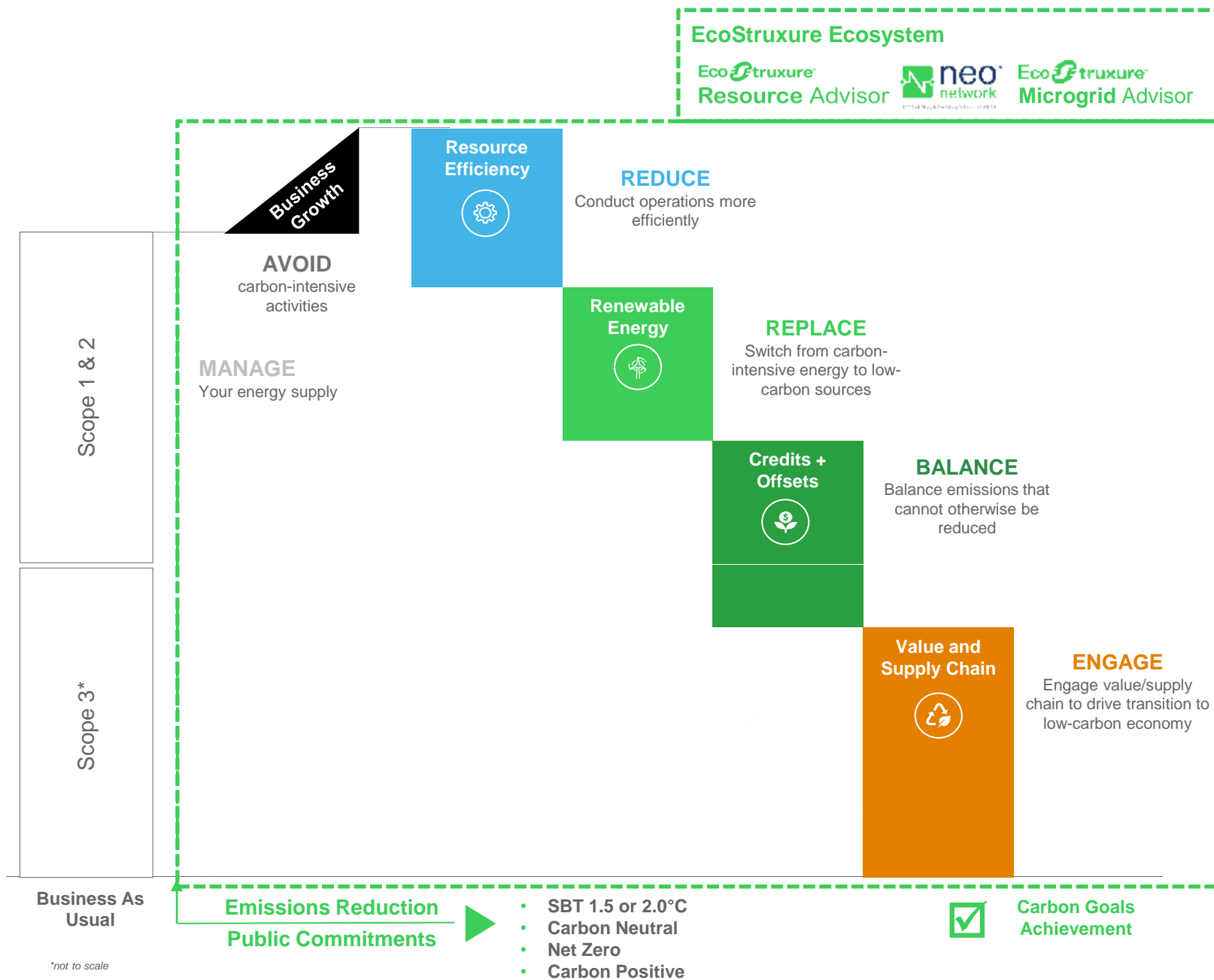


# What's the difference between Supply Chain and Scope 3?

## Supply Chain vs Scope 3



\* For many supply chains, should be factored in along with purchased & capital goods



\*not to scale

# Meeting Climate Goals

Life Is On

**Schneider**  
Electric



# POLL #2 PLACEHOLDER

## What barriers have you faced engaging suppliers on decarbonization?

- Lack of data or difficulty collecting/managing data
- Misaligned understanding of the program and its intentions
- Lack of scalable solutions, such as renewable energy or efficiency projects
- Difficulty deploying enterprise program at the site level
- Geographic/cultural differences that have inhibited program adoption or success
- Lack of bandwidth/other priorities
- Inability to identify the correct stakeholders in our supplier companies



2,300+ suppliers signed on ----- ProjectGigaton™ ----- 230+ MMT emissions avoided

*Because most of Walmart's environmental impact comes from our supply chain, we're also working with our suppliers to avoid **one gigaton of greenhouse gas emissions** from the global value chain by 2030*



### Energy

Renewable Energy  
Energy Efficiency  
Fleet Efficiency



### Agriculture

Fertilizer Optimization  
Animal Agriculture



### Waste

Food and Solid  
Waste Reduction



### Packaging

Using Recycled  
Content  
Recycling



### Forests

Avoid Deforestation



### Product Design & Use

More Energy  
Efficient Products

### Major Contributors



### "And just how big is a gigaton?"

It is the equivalent of taking more than 211 million passenger vehicles off U.S. roads for an entire year!

The logo icon for Gigaton PPA features a stylized blue wind turbine with three blades. A yellow sun with rays is positioned behind the central blade. Below the turbine, there is a blue and yellow graphic element resembling a power plug or a stylized 'G' shape.

# Gigaton PPA

*Powered by Schneider Electric's NEO Network™*

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# What Is the Gigaton PPA?

- A program designed for Walmart's Project Gigaton suppliers to gain information about renewable energy purchasing and the opportunity to participate in an aggregation approach to contracting for renewable energy.
- The program is the first-of-its-kind and is a collaboration between Walmart and Schneider Electric.
- By joining the GPPA Program, participating Walmart suppliers will be empowered to explore the renewable energy market, which will drive new buyers and growing demand for renewable energy, helping Walmart and its suppliers achieve their Project Gigaton goals.



# Gigaton PPA (GPPA)

## Situation

- Walmart's Project Gigaton aims to avoid one Gigaton (one billion metric tons) of carbon dioxide from its global value chain by 2030
- Opportunity to provide increased access for Walmart's US-based suppliers to renewable energy purchasing information and the chance to participate in the U.S. renewable market via an aggregated PPA

## Solution

- Schneider Electric developed a signature program and educational curriculum to enable Walmart suppliers to join a first-of-its kind, aggregated approach to collective contracting for renewable energy
- GPPA Program gives Walmart U.S.'s suppliers who do not participate in the renewable energy market access to utility-scale PPAs



Life Is On

Schneider  
Electric



# GPPA Program Opportunities

Empower  
Walmart  
suppliers to  
explore the  
renewable  
energy  
market

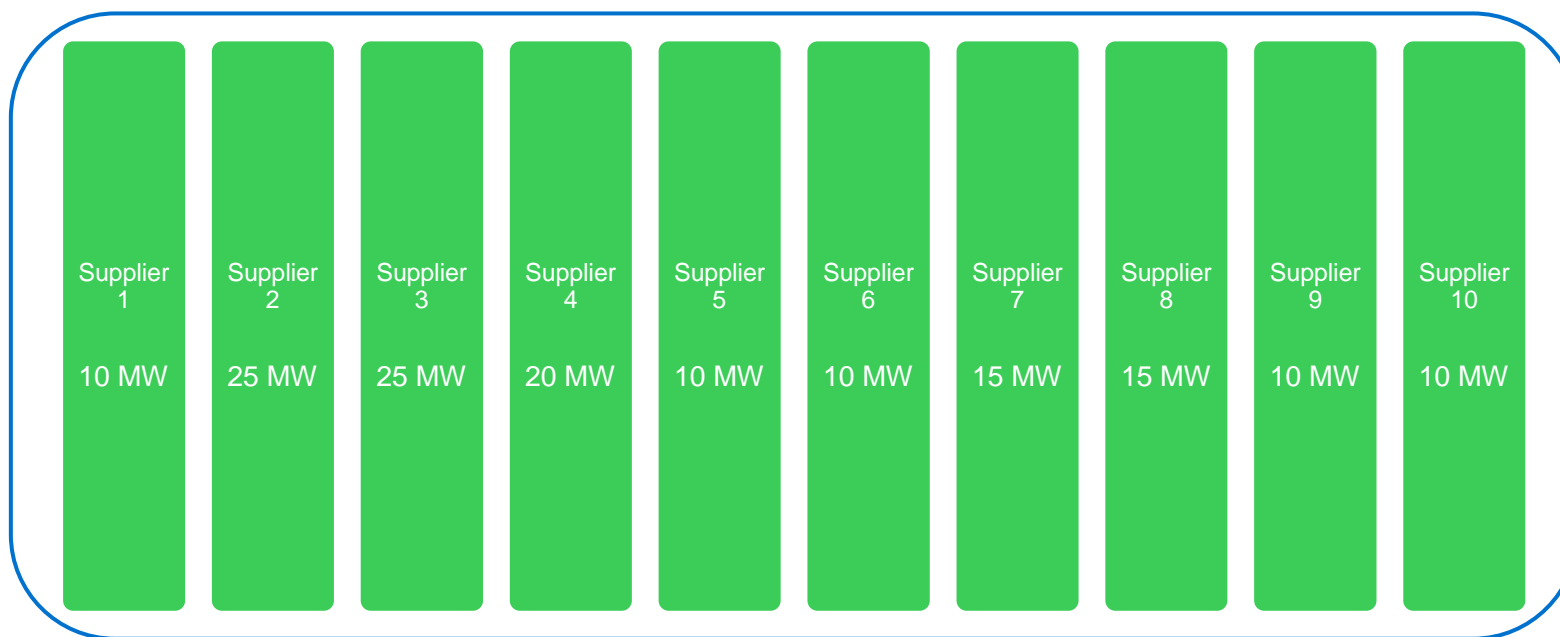
Drive new  
buyers and  
growing  
demand for  
renewable  
energy

Help  
Walmart and  
its suppliers  
achieve their  
Project  
Gigaton  
goals

# How Will the GPPA Work?

Gigaton Suppliers will work as part of a buying consortium to solicit and contract on one or more aggregated renewable energy Power Purchase Agreements.

## 150 MW GPPA





A close-up, low-angle shot of a white wind turbine tower and nacelle against a bright, hazy sky. The sun is visible on the left, creating a lens flare effect. The tower extends from the bottom left towards the center, and the nacelle is positioned horizontally across the middle. The background shows a soft, out-of-focus landscape.

## How Will It Benefit Suppliers?

- The GPPA approach offers a programmatic and structured means for suppliers to accelerate renewable energy objectives.
- Aggregated PPAs enable suppliers to pool demand and secure more attractive renewable energy rates (increased buying power & economies of scale).
- Schneider Electric leads education and stakeholder engagement processes for suppliers to ensure participants understand the benefits & risks of the GPPAs.
- Schneider Electric alleviates GPPA complexities by leveraging industry expertise and advisory best practices.
- Schneider Electric also applies industry best practices in regards to price, project selection, and term negotiation to solve common GPPA challenges.
- Led by experts at Schneider Electric, the GPPA program will accelerate the execution of offsite GPPAs using the aggregation model.



# NEO Network

[NEONetworkExchange.com](https://NEONetworkExchange.com)

Accelerating global new energy opportunities



**320+**

Corporate renewable  
energy buyers



**20+**

GW available for  
offtake



**60+**

On-demand global  
market reports



**10+**

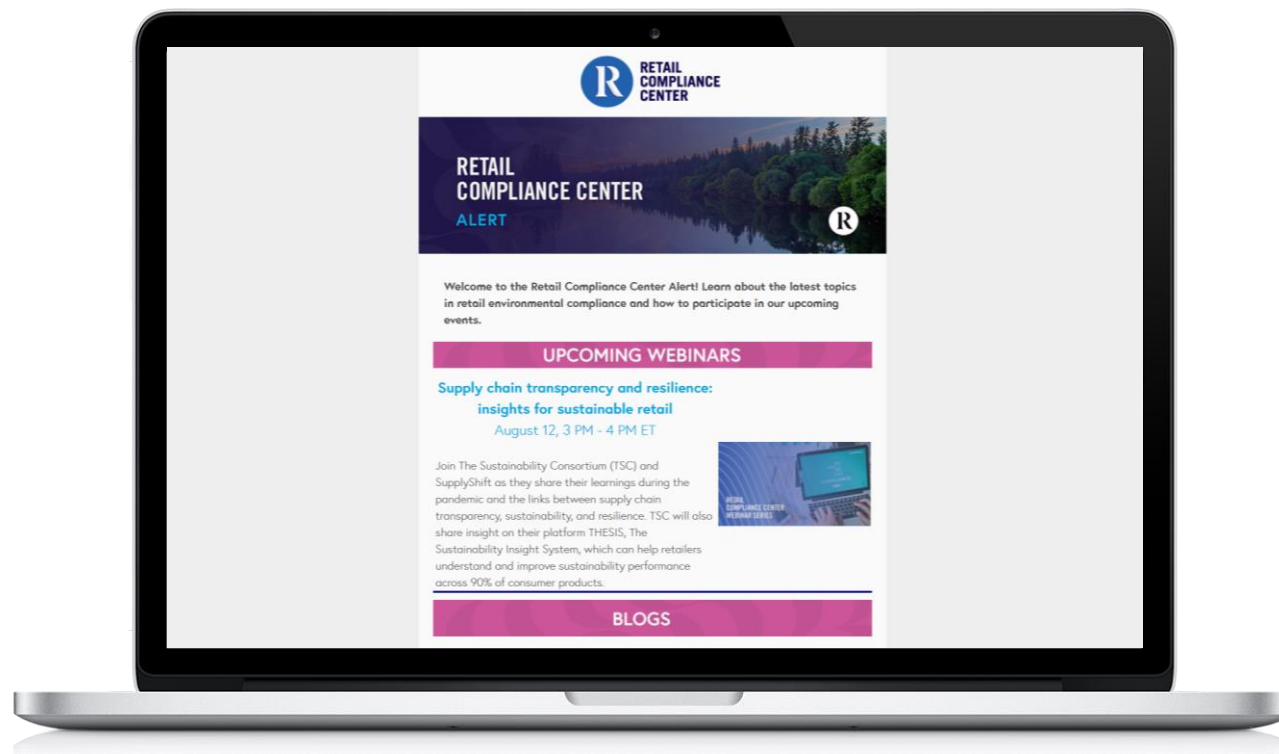
Leading market  
analytics apps

# QUESTIONS?

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THANK YOU