

SECOND PUBLIC REPORT

Controlling Corporation

Myer Holdings 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

Myer engaged external energy experts to carry out formal Energy Audits between June-September 2008, in order to identify and evaluate energy efficiency opportunities. Due to the large number of retail stores across Australia (65 currently), the assessments were carried out using a representative sample of six stores. Factors such as geographic and climatic conditions of sites, as well as equipment type and building age, were taken into consideration when choosing the representative sample.

Energy efficiency opportunities were primarily identified in the areas of Lighting and HVAC, which are the primary consumers of energy in retail spaces. During the FY08/09 reporting period the business has progressed with the opportunities identified in the assessments, with a view to more effectively managing its energy use. Specifically, during the FY08/09 reporting period the Myer business:

- Replaced lamps across 6 stores nationally (Myer Adelaide, Dandenong, Frankston, Warringah, Hurstville and Parramatta), which represented the highest use of PAR 38 100W lamps. Approximately 7,000 units of PAR 38's were replaced with LED lamps across these 6 stores. Re-lamping across the nominated stores was complete in May 2009. The business is in the process of conducting a post-implementation review of the initial roll-out, prior to proceeding with further sites;
- Between September to November 2008, Myer store Building Management Systems were adjusted and standardised across all stores nationally, in terms of the trade lighting and HVAC time schedules, with a view to reducing energy use. Myer's external provider, Airmaster Australia, also continually monitors the set times schedules across all stores as part of the ongoing schedules maintenance program.

The Myer business has taken action to fulfil the key elements of the Assessment Framework including:

- Engaging external energy experts to undertake assessments and identify energy efficiency opportunities across the business;
- Obtaining commitment from senior management across relevant functional areas across the business, specifically Facilities Management, Procurement and Property;
- Assigning operational accountability for implementation of energy efficiency plans and opportunities;
- Communicating process and outcomes through cross-functional Sustainability Team meetings, and formal Board reports;
- Assigning an EEO Co-ordinator to oversee process, and report progress to senior management.

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

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 undertaken¹	Energy use per annum in GJ² in the current reporting year
Myer Pty Ltd (Retail Stores & Head Office)	June-September 2008	878,595GJ
Total energy assessed		878,595GJ
Total energy use of the group in the current reporting year		895,125 GJ
Total energy assessed expressed as a percentage of total current energy use		98%

1. This should be the start and finish date (month and year) for the assessment (planned assessment dates were nominated in Table 3.1 of the approved ARS).
2. Energy Bandwidth may only be used if approved in the Assessment and Reporting Schedule.

Table 1.3 – Accuracy of energy use data		
Entity	% achieved	Reasons for not achieving data accuracy to within ±5%
Myer Pty Ltd (Retail Stores & Head Office)	Within +/- 5%	Not applicable

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

Part 2A - New Assessments completed during the reporting period

No new assessments were undertaken during this reporting period.

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

Name of Group member or business unit or key activity or site: Myer Pty Ltd (Retail Stores and Head Office)

Energy use of the entity during the current reporting period

878,595	GJ
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Table 2.1 - 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 – \leq 4 years	> 4 years	
Outcomes of assessment*	Total Identified					
Business Response*	Under Investigation	1*	4,483	8,307	-	12,789
	To be Implemented					
	Implementation Commenced					
	Implemented					
	Not to be Implemented					

Notes:

- Some identified opportunities have two payback periods as different retail stores (65 in total) are subject to variable factors such as, different energy rates, and varying equipment age/condition, and thus payback periods will vary for different stores accordingly, for example, the payback period will be shorter in stores subject to higher energy rates.
- * Business response has shifted from 'Implementation Commenced' to 'Under Investigation', as the business is in the process of conducting a PIR and reviewing the business case.

Name of Group member or business unit or key activity or site: Myer Pty Ltd (Retail Stores and Head Office)

Energy use of the entity during the current reporting period

878,595	GJ
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Table 2.2 - Opportunities assessed to an accuracy of worse than $\pm 30\%$

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	4	18,908	-		18,908
			12,213	3,130	-	15,343
			7,707	-	-	7,707
			1,918	9,577		11,495
Business Response*	Under Investigation	2	12,213	3,130	-	15,343
			1,918	9,577		11,495
	To be Implemented					
	Implementation Commenced					
	Implemented	2	18,908	-	-	18,908
	7,707				7,707	
	Not to be Implemented					

Notes:

- Savings are not cumulative as some identified opportunities may impact or reduce the savings of other opportunities, for example, re-lamping will reduce the savings achieved by amending lighting schedules.
- Some identified opportunities have two payback periods as different retail stores (65 in total) are subject to variable factors such as, different energy rates, and varying equipment age/condition, and thus payback periods will vary for different stores accordingly, for example, the payback period will be shorter in stores subject to higher energy rates.

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 2.3 – Description of 3 significant opportunities

Opportunity 1

Lamp Replacement

Replacement of high energy-use lamps across Myer retail stores was identified as a significant opportunity through EEO assessments conducted in June-September 2008.

During this FY08/09 reporting period, the Myer business replaced lamps across 6 stores nationally (Myer Adelaide, Dandenong, Frankston, Warringah, Hurstville and Parramatta), which represented the highest use of PAR 38 100W lamps. Approximately 7,000 units of PAR 38's were replaced with LED lamps across these 6 stores.

Re-lamping across the nominated stores was complete in May 2009, and the business is in the process of conducting a post-implementation review of the trial before proceeding with further sites.

Opportunities 2 & 3

Adjust Trade Lighting Schedules & Adjust HVAC Time Schedules

Adjustment of trade lighting and HVAC time schedules were two further significant areas of opportunity identified through EEO assessments conducted in June-September 2008. As a result of the assessments, the Myer business conducted a national review of its trade lighting and HVAC schedules, with the intention of changing timings for turning lights and HVAC on and off within stores, in order to minimise the energy use across stores.

Between September to November 2008, Myer store Building Management Systems were adjusted and standardised across all stores nationally, in terms of the trade lighting and HVAC time schedules, with a view to reducing energy use. Myer's external provider, Airmaster Australia, also continually monitors the set times schedules across all stores as part of the ongoing schedules maintenance program.

Note that during the warmer months of November to March, air-conditioning was scheduled to start earlier. However, rather than make an automatic adjustment across all Myer stores, the business has chosen to monitor store temperatures to determine whether the adjustment is necessary. Various stores are adjusted for an earlier start during the warmer months, however many are not as store conditions and customer comfort levels are not significantly affected.

Airmaster Australia works in partnership with the Myer business to closely monitor the lighting and HVAC schedules across all Myer stores nationally, in order to minimise energy consumption, as well as introduce new energy-saving initiatives to the business. For example, the business is currently in the process of conducting a pilot of an 'EFF-Trak' system across four representative sites- which is a device that monitors the health and efficiency of chiller systems.

Part 3 - Voluntary Contextual Information

Table 3.1 – Contextual Information

Other contextual information about the corporation's energy use and management:

National Review- Building Management Systems

The Myer business has recently conducted a comprehensive national review of its Building Management Systems, specifically assessing the following variables:

- Age
- Efficiency
- Capability with respect to optimizing economy cycles
- Demand management
- Remote monitoring capability
- Metering plant usage and reporting anomalies

It is expected that the review will result in further opportunities for energy savings across the business.

New and Refurbished Stores

The Myer business incorporates environmentally sustainable development requirements and initiatives into new and refurbished stores. For example, energy efficient lamps and lighting solutions, variable speed drives for escalators, etc. The new Myer National Support Office will be a 5 star Green Star rated building in design, and will be aiming for a 5 star Australian Building Greenhouse rating.

Part 4 - Declaration

Table 4.1 - Declaration of accuracy and compliance (mandatory information)

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 *Energy Efficiency Opportunities Act 2006* and *Energy Efficiency Opportunities Regulations 2006*.



Bernard Brookes- Chief Executive Officer

Date 15.12.09