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OCADO LAUNCHES £3M INVESTMENT IN ALTERNATIVE FUELS

- *Online retailer spends £3m on alternative fuel technology, with an industry-leading 20 per cent of its HGV fleet now powered by blended biomethane*
- *Ocado is the first UK retailer to fully fund the purchase of an onsite grid connected natural gas refuelling station outright*
- *Investment will reduce Ocado's HGV fleet CO₂ emissions by 29 per cent annually*

Today, online supermarket Ocado opened its first natural gas refuelling station at its Hatfield Customer Fulfilment Centre. Ocado is the first UK retailer to self-fund the purchase of an onsite grid connected station outright. The site launched with 29 Heavy Goods Vehicles (HGVs) powered by blended biomethane, a Compressed Natural Gas (CNG). Replacing existing diesel vehicles, this represents 20 per cent of the online retailer's HGV fleet, an industry-leading figure.

Environmental benefits of switching to gas include 99 per cent fewer particulate emissions and 70 per cent less nitrogen oxide than the latest diesel standard. The trucks are on average 50 per cent quieter than diesel vehicles, so are kinder to residential areas. The new vehicles will reduce the Ocado HGV fleet CO₂ emissions by 29 per cent annually.

Ocado's gas refuelling station has been designed and built by Gasrec, a major fuel supplier for natural gas-powered HGVs on UK roads. The businesses have agreed a 10-year support and maintenance contract, with Ocado also announcing plans to invest in natural gas technology at future sites.

The investment in natural gas is part of Ocado's wider strategy to explore and invest in carbon-friendly alternatives to diesel fuel. The retailer is also testing electric and hybrid delivery vehicles.

Graham Thomas, Fleet Services Manager at Ocado said: "By investing in gas-powered vehicles, and in our first onsite refuelling station, we're future-proofing our fleet and our business. Emissions from CNG are cleaner than Euro VI standards which start to take effect

with the London Low Emissions Zone from April, and will soon be followed by a further 32 Clean Air Zones."

Suzanne Westlake, Head of Corporate Responsibility at Ocado said: "The exciting work we're doing with alternative fuels plays a huge part in becoming even more carbon efficient, helping us get closer to our goal of being the UK's most environmentally-responsible supermarket."

James Westcott, Chief Commercial Officer at Gasrec said: "Ocado reacted immediately to the range of dedicated natural gas vehicles becoming available to HGV fleets and we've been able to design, build and commission the onsite refuelling infrastructure in time to meet the new trucks entering service. It's fantastic to be working with a company so focused on improving the sustainability of its fleet – a move firmly backed by Government, which has committed to supporting natural gas vehicles with a duty reduction until 2032."

Supporting information

- In 2018, the Government launched its Road to Zero strategy. Part of this strategy included a 2025 target for HGVs to reduce GHG emissions by 15 per cent, against a 2015 baseline. Natural gas is an important step in achieving this and Ocado are at the forefront of adopting the technology.
- Ocado's new blended biomethane gas refuelling station and fleet of HGVs reduce CO₂ emissions by 29 per cent annually versus standard diesel trucks; this exceeds Government targets.
- While other shared-service gas refuelling stations exist in the UK, Ocado's Hatfield station is the first onsite facility purchased by a business upfront. This demonstrates the retailer's commitment to investing in their long-term environmental strategy.
- The refuelling station opened with 29 natural gas vehicles directly replacing 29 diesel vehicles. This represents 20 per cent of Ocado's HGV fleet. The facility has been designed to accommodate 80 vehicles in total, and the business plans to increase the fleet to 40 vehicles in 2019.
- Gas-powered vehicles emit 70 per cent less Nitrogen Oxide emissions, 99 per cent fewer particulate emissions, and 95 per cent less CO₂ than diesel equivalents.

For further information please visit www.gasrec.co.uk

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Note to editor: Gasrec is a major fuel provider for natural gas-powered commercial vehicles on UK roads. It supplies, builds and operates natural gas and biogas refuelling stations, enabling fleets to take advantage of a fuel which is significantly cheaper and better for the environment than diesel.

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