

17 December 2009

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir,

**2008/09 PUBLIC REPORT
FOR THE ENERGY EFFICIENCY OPPORTUNITIES ACT 2006**

Attached is a copy of the public report of Wesfarmers Limited pursuant to the *Energy Efficiency Opportunities Act 2006* (Commonwealth).

A copy of the report will also be available on the company's website at www.wesfarmers.com.au.

For further information on the report please contact Alan Carpenter, Executive General Manager, Corporate Affairs on 0438 903 674.

Yours faithfully,

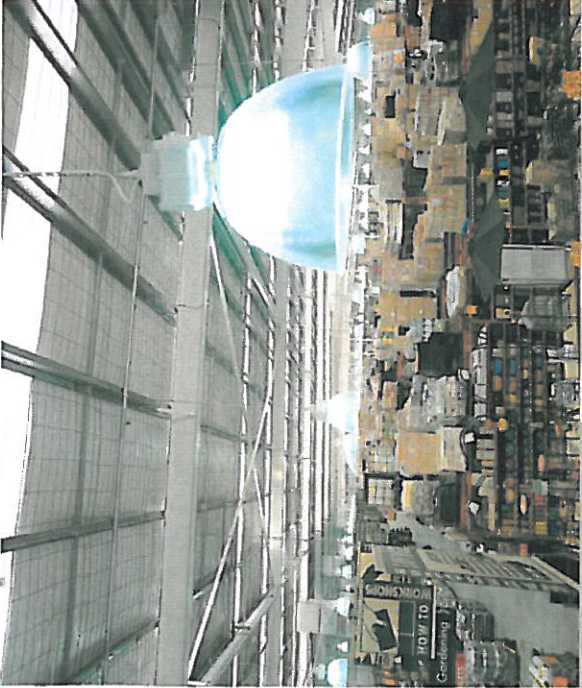


L J KENYON
COMPANY SECRETARY

Enc.

Public Report for the Energy Efficiency Opportunities Act 2006 2008/2009

Submitted December 2009



Wesfarmers Limited

ABN 28 008 984 049

Top left: New and refurbished Bunnings stores harvest more daylight through increased use of translucent roof panels. Coupled with energy efficient hi-bay luminaires electricity consumption for lighting is reduced by approximately 30% without compromising lux levels.

Top right: Insulating blinds are used in dairy cases at night to reduce energy consumption at the Coles Ropes Crossing store in New South Wales.

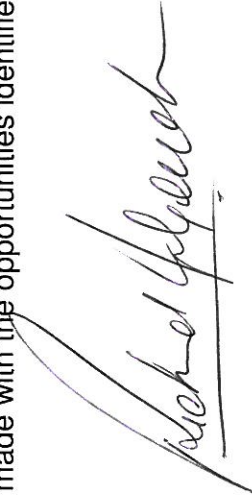
Bottom left: Energetics consultant Emma Faure conducts an energy audit at Kmart Chadstone (Victoria) as part of the Energy Efficiency Opportunities Programme.

Bottom right: Target's latest store design includes new energy efficient lighting – Mt Ormaney, Queensland.



Managing Director's Endorsement

I am pleased to present Wesfarmers' second annual Energy Efficiency Opportunities Public Report. 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*. The report covers the period from 1 July 2008 to 30 June 2009, and provides details of Wesfarmers' energy consumption, the actions Wesfarmers has taken to implement the Energy Efficiency Opportunities program, the opportunities that have been identified through the Energy Efficiency Opportunities process, and the progress that has been made with the opportunities identified.

A handwritten signature in black ink, appearing to read "Richard Goyder".

Richard Goyder
Managing Director

Date: 14th December 2009

Introduction

From its origins in 1914 as a Western Australian farmers' cooperative, Wesfarmers has grown into one of Australia's largest listed companies and employers. Its diverse business operations cover: supermarkets, department stores, home improvement and office supplies; coal mining; energy; chemicals and fertilisers; and industrial and safety products. With the acquisition of the Coles Group in 2007, it now accounts for about one per cent of Australia's total greenhouse emissions. Wesfarmers now employs 207,000 people and hundreds of thousands more Australians directly benefit from the products and services produced by the nine divisions.

Energy efficiency is a part of how Wesfarmers does business. The company is currently implementing a group-wide information management system to assist in tracking and managing energy consumption and with meeting obligations under both the Energy Efficiency Opportunities (EEO) Act and the National Greenhouse and Energy Reporting (NGER) Act. Wesfarmers acknowledges that energy efficiency is one of the easiest ways to reduce carbon emissions and operating costs, especially if the Carbon Pollution Reduction Scheme (CPRS) and the associated costs on carbon are introduced.

This EEO public report reveals that Wesfarmers is making inroads in rolling out energy efficiency through a range of practical measures. It should also be noted that although EEO is a valuable program, the Wesfarmers divisions are taking additional steps towards energy efficiency that are beyond the bounds of the program.

As a group, Wesfarmers has performed an internal EEO verification process throughout 2008/2009, assessing the progress that Divisions are making against ARS commitments and EEO requirements as a whole. This required sign off by a senior officer of each relevant division, prior to the Wesfarmers Board signing off on the Government and Public reports for 2008/2009.

Within this report, you'll see how Wesfarmers and its divisions are committed to investing money, time and expertise in meeting the key requirements of the EEO program and the embedding of EEO principles into business practices.



Wesfarmers

PUBLIC REPORT TEMPLATE

Controlling Corporation

Wesfarmers Limited

Period to which this report relates

Start

End

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

Wesfarmers Limited (Wesfarmers) reported 42,717,141 GJ of energy consumed in the 2008/2009 financial year, as part of its obligations under the National Greenhouse and Energy Reporting (NGER) Act. Of this energy consumption total, 40% (17,111,559 GJ) is assessable under the Energy Efficiency Opportunities (EEO) Act and 92% of this assessable energy has been subject to EEO assessments by the Wesfarmers Divisions as of 30th June 2009. A large proportion of the NGER energy consumption total, being 19,324,820 GJ or 45% is comprised of energy consumption that is not assessable under EEO. This includes feedstock gas to the Wesfarmers LPG plant, most of which is returned to the Bunbury-Dampier Pipeline after the extraction of LPG (propane and butane), CSBP consumption of natural gas feedstock for chemical production and consumption of waxes to coat fertilisers at CSBP.

Within Wesfarmers 2008 EEO Public Report, the outcomes of assessments were first reported for the **Chemicals and Fertilisers Division, Home Improvement and Offices Supplies Division (Bunnings)** and **Resources Division**. This report contains updates on those assessments.

In addition to those divisions that have previously performed assessments, **Kmart, Target, Coles - Food Liquor and Convenience (FLC) and Wesfarmers Insurance** have reported on their assessment process and outcomes for the first time. Descriptions of these individual assessment processes have been provided below:

Kmart

In 2008/2009 Kmart performed a representative assessment at its Chadstone store in Victoria. This new assessment has provided valuable information relating to opportunities, particularly in relation to electricity use. Kmart is now assessing the opportunities identified, with the aim of trialling initiatives during the coming 12 months. Kmart also plans to undertake another four to five audits during the coming 12 months to ensure a good representative assessment of sites is undertaken.

In addition, this report contains twenty opportunities identified by Kmart in 2006/2007 prior to Wesfarmers acquisition of the Coles Group. As this is the first time that Wesfarmers has reported these opportunities, they have been reported as new assessments.

Target

During the 2008/2009 financial year Target commenced its implementation of the EEO Program by undertaking energy audits on 19 representative sites. The sites were selected based on the type of facility (Target stores, Target Country stores, Off Site Reserves, office and distribution centre), their climatic location and the age of the infrastructure. The following 19 sites were selected: Palmerston, Cairns Central, Springwood, Ipswich, Dubbo, Swan Hill, Mt Druit, Bondi, Elizabeth, Glenorchy, Warwick, Forbes, Hamilton, Woodend, Acacia Ridge, Laverton, Derwent Park, Taras Avenue and North Geelong Office. These audits were completed by August 2009.

In the same period, Target undertook a workshop with key personnel from across the company to develop an Environmental Policy, which was released in May 2009. The policy includes energy specific reduction targets.

FLC – Coles

An assessment of the Coles Division was conducted for the period of July 2008 to June 2009. The total energy consumption at all 763 Coles and Bi-Lo supermarkets was 6.2PJ with no sites consuming more than 0.5PJ. Coles Express, Liquor and Supply Chain were excluded from the assessment as they represent less than 5% of total energy usage within the Coles Division. A representative assessment was conducted in 3 supermarkets resulting in a list of recommendations for improving energy efficiency. 90% of total energy use is associated with air conditioning, lighting and refrigeration.

Wesfarmers Insurance

Wesfarmers Insurance has identified electricity as the major area of focus for EEO activities. An EEO site assessment was conducted at the largest office site in Bassendean WA between February and June 2009. The assessment identified twenty areas of possible savings with five having potential application at other sites in the representative assessment group. The recommendations from the assessment were presented to management and implementation of selected items considered. Findings relevant to other sites included in the representative assessment will be considered and implemented during the 2010 calendar year.

As a group, Wesfarmers has performed an internal EEO verification process throughout 2008/2009, assessing the progress that Divisions are making against ARS commitments and EEO requirements as a whole. This required sign off by a senior officer of each relevant division, prior to the Wesfarmers Board signing off on the Government and Public reports for 2008/2009.



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 undertaken	Energy use per annum in GJ in the current reporting year
Home Improvement and Office Supplies Division	Jan 08 – Sept 08	657,222
Chemicals and Fertilisers Division	Jun 07 – July 08	2,663,410
Resources Division	Jun 07 – July 08	3,607,281
	Jun 07 – July 08	739,954
Insurance Division	Feb 09 - Jun 09	55,993
Food, Liquor and Convenience Division	Jul 08 – Jun 09	6,263,029
Coles Supermarkets including Bi-Lo (except Liquor stores and hotels)		
Target	Jun 07 – July 08	818,463
Kmart (except Kmart Tyre and Auto Service)	Jun 07 – July 09	946,822
Total energy assessed		15,752,174
Total energy use of the group in the current reporting year		42,717,141
Total energy assessed expressed as a percentage of total current energy use		37%
Assessable Energy Use*		17,111,559
Total energy assessed expressed as a percentage of total assessable energy use		92%

* Assessable energy use excludes the following:

- 5,364,225 GJ of natural gas feedstock and 4,157,358 GJ of wax was consumed by CSBP, which CSBP was obliged to report under NGER requirements; and
- 16,083,999 GJ consumed by Wesfarmers Energy. This was not included within Wesfarmers Assessment and Reporting Schedule (ARS) since it is associated mainly with electricity generation activities, which are exempt. Wesfarmers is currently revising their ARS to include Wesfarmers LPG. 61% or 9,803,237GJ of Wesfarmers Energy consumption within the NGER figure is comprised of natural gas feedstock to the Wesfarmers LPG plant, most of which is returned to the Bunbury-Dampier Pipeline after the extraction of LPG (propane and butane).

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

Table 1.3 – Accuracy of energy use data		
Entity	% achieved	Reasons for not achieving data accuracy to within $\pm 5\%$
Westfarmers Curragh Pty Ltd	> $\pm 7.5\%$	<p>Due to the inherent inaccuracy within the components of energy measurement devices and factors, Resources Division has found it to be unfeasible to calculate energy data to a 95% confidence level. This does not imply that the system is unmanaged or uncontrolled; it is simply a reflection of the process complexity and multiple potentials for error.</p> <p>For diesel consumption in the Westfarmers National Greenhouse and Energy (NGER) Report, Criterion BBB was reported as the appropriate measurement criterion. The Department of Climate Change (DCC) has provided a default uncertainty range of 7.5%¹ for this measurement criterion, hence it being reported here. The use of this uncertainty range was endorsed by DRET on 26/11/09.</p>
Resources Division		
Westfarmers Premier Coal Ltd	> $\pm 7.5\%$	<p>Energy consumed at Premier Coal is predominantly as diesel and electricity. Premier operates a Fuel Management System and consumption of diesel is reconciled monthly against invoices, while electricity consumption is determined directly from invoices. The inherent inaccuracy of fuel energy metering devices and factors creates uncertainty when stating energy data to a 95% confidence interval. This does not imply that the system is unmanaged or uncontrolled; it is simply a reflection of the process complexity and multiple potentials for error.</p> <p>For diesel consumption in the Westfarmers NGER Report, Criterion BBB was reported as the appropriate measurement criterion. The DCC has provided a default uncertainty range of 7.5%¹ for this measurement criterion, hence it being reported here. The use of this uncertainty range was endorsed by DRET on 26/11/09.</p>

¹ NGER Technical Guidelines 2009, p329

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

Part 2A - New Assessments completed during the reporting period

Name of Group member or business unit or key activity or site: **Target**

Energy use of the entity during the current reporting period

771,604	GJ
---------	----

Table 2.1 – Opportunities assessed to an accuracy of ±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 – ≤ 4 years	> 4 years	
		Outcomes of assessment*	220	80,526	
Business Response*	220	80,526	45,869	-	126,395

² Details of savings with a payback period exceeding 4 years are not currently available

Name of Group member or business unit or key activity or site: **Wesfarmers Insurance**

Energy use of the entity during the current reporting period

Table 2.1 – Opportunities assessed to an accuracy of ±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 – ≤ 4 years	> 4 years	
Outcomes of assessment					
	Total Identified	400	810	520	1730
Business Response					
	Under Investigation	10	810	460	1280
	To be Implemented	50	-	-	50
	Implementation Commenced	170	-	-	170
	Implemented	10	-	-	10
	Not to be Implemented	160	-	60	220

Name of Group member or business unit or key activity or site: **Coles Food Liquor & Convenience - Supermarkets**

Energy use of the entity during the current reporting period

Table 2.1 – Opportunities assessed to an accuracy of ±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 – ≤ 4 years	> 4 years	
Outcomes of assessment					
	Total Identified	9	224,788		224,788
Business Response					
	Under Investigation	5	<i>Partially under investigation</i>		
	To be Implemented				
	Implementation Commenced	0			
	Implemented	4	224,788		224,788
	Not to be Implemented	0			

Name of Group member or business unit or key activity or site: **Kmart³**

Energy use of the entity during the current reporting period

946,740	GJ
---------	----

Table 2.3 - Opportunities assessed to an accuracy of ±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 - ≤ 4 years	> 4 years	
Outcomes of assessment*	41	4,652	549	1,982	7,183
Business Response*	31	3,930	459	561	4,950
To be Implemented	6	722	90	-	812
Implementation Commenced	0	-	-	-	-
Implemented	0	-	-	-	-
Not to be Implemented	4	-	-	1,421	1,421

³ The opportunities within this table are a combination of those identified in 2008/2009 and 2006/2007. Those from 2006/2007 were identified prior to Wesfarmers purchasing the Coles Group. This is the first time that these opportunities have been reported by Wesfarmers.

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

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

Name of Group member or business unit or key activity or site: **Home Improvement and Office Supplies - Bunnings Group⁴ Limited**

Energy use of the entity during the current reporting period

654,407	GJ
---------	----

Table 2.3 - 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 - ≤ 4 years	> 4 years	
Outcomes of assessment*	31	32,290	1,224	126	33,640
Business Response*	Under Investigation			36	36
	To be Implemented	344		79	423
	Implementation Commenced		1,204		1,204
	Implemented	8	31,946		31,946
	9		20	11	31
Not to be Implemented					

⁴ In the 2008 Public Report, Bunnings reported on 6 opportunities, being the only opportunities that were being progressed in the 2007/2008 period. This year Bunnings have reported on all considered opportunities, including additional opportunities that have been identified since the formal assessment process.

Name of Group member or business unit or key activity or site: **Resources Division - Curragh Coal⁵**

Energy use of the entity during the current reporting period

3,574,027	GJ
-----------	----

Table 2.4 - Opportunities assessed to an accuracy of worse than ±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	2	178,792			178,792
Business Response*					
Under Investigation	1	136,760			136,760
To be Implemented	0				
Implementation Commenced	0				
Implemented	1	42,032			42,032
Not to be Implemented	0				

⁵ Not included within this table is the 'Coal to Fuel' combustion plant that was evaluated throughout the 08/09 period but due to considerable payback period, this will not proceed. In addition, energy efficiency ideas have been generated as a result of the 'Beyond 09' operating cost reduction program at Curragh Coal. The ideas identified included rationalising the mine plan and fleet, reducing blasting costs, increases in coal recovery, in pit dumping and efforts to reduce damage to equipment. As these new ideas are evaluated, they will be incorporated into future EEO Reports.

Name of Group member or business unit or key activity or site: **Resources Division - Premier Coal**

Energy use of the entity during the current reporting period

740,043	GJ
---------	----

Table 2.4 - Opportunities assessed to an accuracy of worse than ±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*	7	14,091 GJ	24,692 GJ		38,783 GJ
Business Response*	1	3,639 GJ			3,639 GJ
	1	861 GJ			861 GJ
	1	851 GJ			851 GJ
	4	8,740 GJ	24,692 GJ		33,432 GJ

Name of Group member or business unit or key activity or site: **Chemicals & Fertilisers - CSBP**

Energy use of the entity during the current reporting period 2,300,362 GJ

Table 2.3 - 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*	11	20,136	16,290		36,426
Business Response*					
Under Investigation					
To be Implemented	2	300	1,900		2,200
Implementation Commenced	4	9,296	390		9,686
Implemented	4	8,700	14,000		22,700
Not to be Implemented	1	1,840			1,840

Table 2.4 - 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 – \leq 4 years	> 4 years	
Outcomes of assessment*	8	11,376	6,161		17,537
Business Response*					
Under Investigation	2	26	5,250		5,276
To be Implemented	3	247	911		1,158
Implementation Commenced	2	1,203			1,203
Implemented					0
Not to be Implemented	1	9,900			9,900

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 2.5 – Description of 3 significant opportunities

Opportunity 1

Bunnings – Implementation of low-mode switching devices for night fill operations

After opening hours, lighting is still required in Bunnings warehouse stores for night filling however not the same amount of lighting as when the stores are open. As a consequence, 112 warehouse stores have been fitted with low mode switching devices that provide a preset reduced lighting level for after hours. The low mode lighting setting consumes 30% less electricity during that period of operation. Further details relating to this initiative have been provided below:

- Cost of Project: \$224,000 (\$2,000 per site)
- Energy Saved: 21,952 GJ (196 GJ per site)
- Annual Energy Costs Saved: \$504,336 (\$4,503 per site)
- Payback period: Less than 6 months
- Abated CO₂-e: 5,427 tCO₂-e (48.5 tCO₂-e per site)

Opportunity 2

Wesfarmers Insurance – T8 Lighting Refurbishment

Throughout the assessment process at the Bassendean Head Office, the opportunity to switch from T8 lighting to T5 lighting was identified and is currently under investigation. This involves the refurbishment of existing T8 fluorescent fittings in the open plan office areas by replacing the reflector, tube housing and T8 tubes with T5 fittings and tubes. Further details relating to this initiative have been provided below:

- Cost of Project: \$95,040
- Annual Energy Saved: 403GJ
- Annual Energy Costs Saved: \$27,157
- Payback period: 3.5 years
- Abated CO₂-e: 97 tCO₂-e

Table 2.5 – Description of 3 significant opportunities cont'd.

Opportunity 3

Coles Anti-Condensate Controls

Supermarkets glass door freezers utilise anti-condensate heaters to ensure that condensation does not build up on the glass doors and door frames. The anti-condensate heaters use electricity and are typically turned on continuously. An opportunity exists to reduce the electricity consumption by controlling the anti-sweat heaters and have them turned on only when needed.

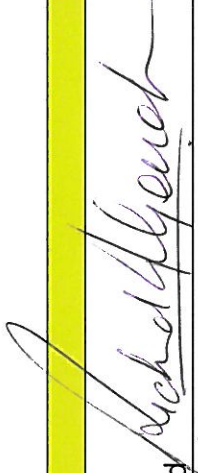
The project involves the purchase and installation of anti-condensate controls for glass door freezers in 165 Coles Supermarkets. The implementation of this project commenced in May 2009. Further details relating to this initiative have been provided below:

- Cost of Project: \$1.4 million
- Annual Energy Saved: 53,873 GJ (326.5GJ per store)
- Annual Energy Costs Saved: \$1.65 million (\$10,000 per store)
- Payback period: 0.9 years
- Abated CO₂-e: 13,319 tCO₂-e

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*.


Managing Director
Wesfarmers Limited
Insert Title of Signatory here