

YOUR LONDON AIRPORT *Gatwick*

Gatwick Airport maintains carbon neutrality and saves with renewable electricity

INDUSTRY

Aviation

LOCATION

UK

CHALLENGE

Over the last decade Gatwick Airport has grown from 31 million passengers a year to 45 million and is the UK's second largest airport.

Gatwick wanted to maintain its Airport Carbon 'Neutral' Accreditation, achieved in 2017, and purchasing certified renewable electricity was a key part of this. Gatwick is also a member of RE100, a global collaboration of 138 businesses committed to 100% renewable electricity. Doing so also adds to Gatwick's Decade of Change programme of ambitious environmental and community focused targets. In a market with increasing commodity and non-commodity costs the airport wanted a renewable solution that would be sustainable, contribute to the diversification of the UK energy system, but that didn't come at a premium price.

OVERVIEW

Kinect Energy Group conducted a broad based competitive tender and thoroughly investigated the cost of purchasing REGO (Renewable Energy Guarantees of Origin) certificates. As part of this process we conducted a comprehensive risk workshop involving all the key stakeholders from within the Airport to get everyone aligned on an agreed strategy to achieve the challenging and diverse needs of the business.



'Kinect managed the re-tender and negotiation process really proactively, in particular the supplier bid analysis which provided great clarity for decision making. The fee outcome was also very positive for Gatwick.'

Martin Bilton,
Engineering Manager, Utilities, Gatwick Airport

'Electricity accounts for 75% of our ground operations carbon footprint. Our Decade of Change goal is to use 25% renewable energy by 2020 – with our electricity supply coming from a certified renewable source, we are already achieving this target.'

Rachel Thompson,
Sustainability Manager, Gatwick Airport





SOLUTION

The competitive tender for electricity needed to secure a new electricity contract that would enable Gatwick Airport to maintain carbon neutrality, as well as deliver cost and operation benefits. Electricity accounts for 75% of the airport's ground operations carbon footprint, so to achieve their renewable energy target of 25% by 2020, it was essential to buy from 100% renewable sources.

Kinect energy specialists carried out an extensive procurement process analysing a large number of suppliers to improve all aspects of the contract, in addition to the renewable element. This included contract terms which optimized the trading terms and increased transparency which led to a significant reduction in transaction costs.



SUMMARY

An important objective of the tender was achieved when Gatwick Airport moved from 100% biomass to 50% wind and 50% biomass products with full REGO certification for their April 2019 renewal. This fully traceable, renewable position secured a substantial part of 'carbon neutrality' for the next 36 months. Kinect's direct involvement resulted in the contract costs being reduced by almost £90,000 – especially striking considering the trend for commodity and non-commodity cost increases at the time.

As part of our service capability Kinect trades on behalf of Gatwick Airport, implementing their mandated Risk Management strategy. The service provides market analytics and pricing updates, reports on transactions, and a view of trading performance based on agreed benchmarks. All of this information is updated and shared in our Kinect Online portal, giving Gatwick full transparency and on-demand access to the latest and most relevant information.