

# OLIVER WYMAN

## **Selected Representative Work** Green / Sustainability

## Oliver Wyman: Selected Representative Work: Green / Sustainability

**Oliver Wyman has recently provided services to clients in each of the following areas:**

- Strategy and management consultancy
- Low carbon services development
- Commercialisation support
- Business / corporate development
- Policy / economic consultancy<sup>1</sup>

**Following are selected examples of work done under the heading of Green / Sustainability by Oliver Wyman, NERA, and Lippincott.** Following each example are appropriate contacts for further information.

1. These case studies offer a selection of some of NERA's work in the areas of environmental economics and policy appraisal over the last few years, and while they focus on the UK and Europe, NERA also undertakes similar studies for governments, industry associations, and individual companies in other jurisdictions.

### ▪ *Green electricity production for a Pulp and Paper mill (ongoing).*

– Assisted a world leader in the pulp and paper industry and its energy services provider to **optimize the efficiency and reliability** of their boilers and turbines equipments, **maximize the production** of steam and green electricity through an increased usage of bark and black liquor, and **define the mid-term investment strategy** for greener production means.

- Nicolas Clinckx (Nicolas.Clinckx@Oliverwyman.com)
- Pascal Ansart (Pascal.Ansart@Oliverwyman.com)

### ▪ *Energy consumption optimisation in the food industry (2009).*

– Assisted a European leader in dairy products and desserts to **design and implement an energy efficiency program** for its 12 industrial plants through **redefined production processes and parameters**, appropriate **maintenance policy**, **greener investment strategy**, **energy performance monitoring** and **revised management systems**.

- Nicolas Clinckx (Nicholas.Clinckx@Oliverwyman.com)
- Hubert Rolland (Hubert.Rolland@Oliverwyman.com)
- Gregory Kochersperger (Gregory.Kochersperger@Oliverwyman.com)

### ▪ *Development and prospecting strategy for a local automotive cluster (2007).*

– **Identified a strong local know-how in automotive motorization R&D**, and recommended development efforts be focused on alternative energy motorization start-ups and low carbon transportation technology companies (hybrid and electric motorizations). Conducted an **extensive mapping of over 250 cleantech automotive companies** who could potentially interested in developing relationships with that local automotive cluster.

- Thomas Le Diouon (Thomas.Lediouon@Oliverwyman.com)
- Pascal Ansart (Pascal.Ansart@Oliverwyman.com)

## Strategy and management consultancy (cont.)

### ▪ *Organic cosmetics strategy for the world leader in botanical beauty care (2008)*

– Based on **customer research** and **market potential assessments**, Oliver Wyman helped develop a new organic cosmetics brand and helped define its positioning within the group's brand portfolio.

- Pascal Ansart (Pascal.Ansart@Oliverwyman.com)

### ▪ *Optimization of a Cogeneration plant within a Paper mill (2008)*

– Steam balance optimization, Increased electricity production through OEE improvement and Reliability Centered Maintenance on critical equipments (Boilers and Turbines), **CO<sub>2</sub> quotas management**, Energy scorecard and Management system loops to **improve efficiency** and reduce unnecessary usages.

- Nicolas Clinckx (Nicolas.Clinckx@Oliverwyman.com)

- Pascal Ansart (Pascal.Ansart@Oliverwyman.com)

### ▪ *Development of a green products and services strategy for a major telecommunications player (2008).*

– Helped the client understand the **green market trends** in terms of customer expectations, market trends, and regulation and then **developed a carbon footprint reduction strategy**. Established a mid-term **green products and services strategy** to capture growth opportunities; and identified and organized a **green action plan** in order to align internal efforts on the agreed strategy.

– David Knipe (David.Knipe@Oliverwyman.com)

– Nuria Tarre (Nuria.Tarre@Oliverwyman.com)

## Low carbon services development

### ▪ *Evaluation of a public cycle sharing service for French municipalities (2008).*

– Following the city of Paris's implementation in 2007 of its new “Velib” new self-service ‘bicycle transit system,’ worked with a leading French operator of public transportation systems to **define a range of offers in order to meet different municipality needs and qualify for concession contract bids**. Provided a **review of competition**, an **identification of service levels**, an **assessment of market evolutions**, and a **modelling of economics** to prepare tenders.

- Mathieu Colas (Mathieu.Colas@Oliverwyman.com)
- Georges Vialle (Georges.Vialle@Oliverwyman.com)

### ▪ *Car sharing offer development strategy project for a major private transportation player (2008).*

– Assisted a leading transport operator to **develop car sharing service in France**. The work included a **strategic review of concept and business plan** with **evaluation of current/future market size**, definition of **partnerships**, design of **communication plan**, and 3-year **development roadmap**.

- Bruno Despujol (Bruno.Despujol@Oliverwyman.com)
- Georges Vialle (Georges.Vialle@Oliverwyman.com)

### ▪ *The Prince's Rainforests Project (2008).*

– Lippincott worked with HRH The Prince of Wales and his Rainforests Project team in 2008 to investigate avenues for **raising the profile of the plight of the world's rainforests as an issue amongst the public**. Through research across UK, Germany, France and the US, Lippincott **identified a number of key insights that drove the communications campaign by focusing on the most relevant, motivating and differentiating messages** to connect with the public more strongly.

- Simon Glynn (Simon.Glynn@Lippincott.com)

## Low carbon services development (cont.)

- **HSBC Climate Confidence Index (2007-2008).**

- Lippincott supported the launch of the \$100 million HSBC Climate Partnership. Work included the **creation of a published index that characterized the consumer response to climate change across nine countries** (developed and developing markets) and the subsequent government and business response to it. This Index has been central to driving HSBC sustainability positioning, including internal and external communication.

- Simon Glynn (Simon.Glynn@Lippincott.com)

- **City of Chicago Assessment of the impacts of climate change (2007).**

- **Assessed and modeled the climate change driven impacts to expected revenue streams and budgeted costs** of city departments and related agencies for the Dept. of the Environment to help focus mitigation planning analysis and prioritization. **Developed a robust economic model** which generated the expected economic impact projections to each department, for each climate change driver, over different time periods.

- Bob Kopech (Robert.Kopech@Oliverwyman.com)

## Commercialisation support

- ***New development opportunities in new renewable energy markets for a leading distributor of electrical supplies (2008).***
  - Oliver Wyman has **reviewed potential options for development in the field of wind/solar markets and lighting energy savings**. The work consisted in **identifying and quantifying market needs** in each geography for electrical components (wires, connectors, control devices, lighting fixtures...), hardware components (bolts, screws...), fabricated parts (platforms, brackets...) and services (energy audits, technical studies...).
  - Xavier Ruaux (Xavier.Ruaux@Oliverwyman.com)
  - Bernard Demeure (Bernard.Demeure@Oliverwyman.com)
- ***Program management for the start-up of a new bioplastics production facility, using sustainable materials derived from renewable, starch-based sources (2007).***
  - Oliver Wyman has assisted the European leading manufacturer of household wraps and packaging to **develop a new bioplastics strategy** starting with ordinary potatoes grown in the countryside and ending up with consumer goods such as refuse bags, bin liners and carrier bags. Biodegradable plastic bags are supplied to major European supermarket chains.
  - Hubert Rolland (Hubert.Rolland@Oliverwyman.com)

## Business / corporate development

### ▪ *Brand Assessment (2006-2007).*

- Lippincott worked directly with the Carbon Trust to **assess its brand positioning**. The project looked into how well the perceptions of the Carbon Trust brand were aligned with the desired positioning, to assess how far it could stretch into new roles, and to identify how the Carbon Trust should **assess and evaluate the branding of new opportunities**. Our recommendations formed the basis for how the Carbon Trust has pursued brand extensions and how it manages the portfolio of business areas and support functions.
- Simon Glynn (Simon.Glynn@Lippincott.com)

### ▪ *Design of a new £1 billion UK environmental fund (2008).*

- **Designed and are helping to implement a major new environmental fund** due to be launched in the UK focused on renewable energy other clean technologies. **Developed a private equity fund proposition** for external investors; **analyzed investment flows** into the environment sector by time, sector, stage and geography. **Conducted interviews** to determine the attitudes of likely investor groups towards different investment products and **assessed the capabilities of the client** to deliver the intended fund and achieve expected returns.
- David Knipe (David.Knipe@Oliverwyman.com)

### ▪ *Sustainability Positioning (2007).*

- Lippincott helped one of the few product brands with a billion consumers to **develop and evaluate alternative sustainability positionings** based on what was good for the planet, the consumer, and their own business. **Developed and administered quantitative testing** of four contrasting sustainability positionings across developed and emerging markets to understand which appealed to different segments in each country and which reinforced the company's brand.
- Simon Glynn (Simon.Glynn@Lippincott.com)

### ▪ *Design of a Renewable Heat Incentive (2008-ongoing).*

– Along with technical partners, NERA **developed a detailed model of UK heat loads suitable for renewable heat technologies** for the UK government, and used it to assess the most efficient delivery of renewable heat in the UK to contribute to renewable energy targets. NERA provided both **qualitative and quantitative analysis of key issues** arising in the design of the Renewable Heat Incentive policy.

- Daniel Radove (Daniel.Radove@NERA.com)

### ▪ *Analysis of Emissions Trading for GHG Emissions from Agriculture (2007).*

– NERA analysed options for reducing agricultural greenhouse gas emissions trading for the UK's Department for Environment. The study included **a detailed review of the nature of emissions sources and emissions abatement options** in the agriculture, forestry, and land-management sub-sectors, and **discussed detailed design parameters for credit-based and cap-and-trade programmes**. The project also included **detailed cost-benefit analysis** drawing on the structure of different agricultural sub-sectors.

– Daniel Radov (Daniel.Radov@NERA.com)

### ▪ *Options for the Implementation of a New Mandatory UK Emissions Trading Scheme (Carbon Reduction Commitment) (2006).*

– NERA designed for the UK's Department for Environment a new mandatory emissions trading scheme for non-energy intensive organisations (the "Carbon Reduction Commitment) and **provided a detailed cost-benefit analysis of the CRC trading scheme**. NERA also **assessed a wide range of alternative policies**, assisted in the **preparation of consultation materials**, and **developed a detailed sector-by-sector model** taking into account organization size and energy use parameters to help steer the policy through Whitehall.

– Daniel Radov (Daniel.Radov@NERA.com)

### ▪ *Allocation Options for Phase 3 of the EU ETS (2006-2008).*

– NERA provided advice to the European Commission in the review of allowance allocation methodologies in the EU Emissions Trading Scheme (EU ETS) for the period from 2012 onwards. Through a series of presentations, briefing notes and reports, NERA **prepared materials to inform EU-level discussion** of all major aspects of allocation, including: methods for setting the overall cap; the allocation of allowances between industry sectors; the use of alternative allocation methodologies for existing emissions sources; allocations to new entrants; and the implications of auctioning allowances.

- Daniel Radov (Daniel.Radov@NERA.com)
- David Harrison (David.Harrison@NERA.com)

### ▪ *Revision of New Entrant Benchmarks for the UK Phase II NAP (2006)*

– NERA managed a large multi-consultancy effort to review and revise the benchmarks used to allocate to new entrants in Phase II of the EU ETS. NERA coordinated the research effort for government and provided detailed input to the development of benchmarks for 15 industry sectors, ensuring consistency and detailed evidence for all of them.

- Daniel Radov (Daniel.Radov@NERA.com)

### ▪ *Implications of the EU ETS for Industry Competitiveness (2007-ongoing).*

– NERA has undertaken close to a dozen ongoing projects for European industry associations and individual companies to **analyse the potential competitiveness implications** of the EU ETS. This work includes **advice on how to identify and measure competitive exposure; analysis of data for submissions to the European Commission; and in-depth sector analysis**, including spatial modelling of local and regional markets, estimating pass-through and emissions leakage, impacts on demand, product substitution, and longer-term impacts on investment. Sectors covered by these analyses include aviation, cement, ceramics, lime, flat glass, glass fibre, iron and steel, petrochemical, and petroleum refinery sectors.

- Daniel Radov (Daniel.Radov@NERA.com)

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MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN