

# ISO 50001: Industry's Perspective

## Experiences of ACC Limited



### ACC: A brief

The journey of ACC started in 1936 when ten cement companies merged to form a single entity that was aptly named "The Associated Cement Companies Limited". In 2006, company's name was changed to ACC Limited. Today, ACC is a part of the Holcim group which owns 50.01 % of total equity. ACC operates 17 cement factories, 47 concrete plants, 26 offices including registered, regional and sales offices across India with its corporate office in Mumbai. All ACC's manufacturing set-ups have been ISO 9000 and ISO 14000 certified for a long time.

### ISO 50001

ISO 50001 was released by the ISO in June 2011. The system is modelled after the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System (EMS). It was anticipated that by implementing ISO 9001 and 14001 an organization would, in fact, improve quality and environmental performance, but the standards do not specify it as a requirement. ISO 50001, therefore, has made a major leap forward in 'raising the bar' by requiring an organization to demonstrate that they have improved their energy performance. There are no quantitative targets specified - an organization chooses its own, then creates an action plan to reach the target. With this structured approach, an organization is

more likely to see some tangible financial benefits.

### ACC's ISO 50001 Journey

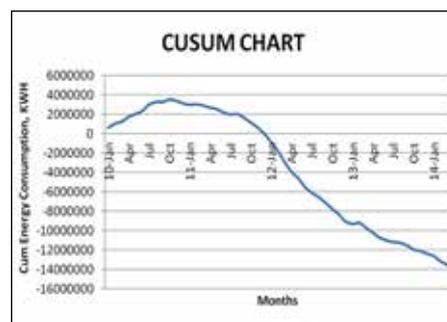
ACC started the journey towards implementing ISO 50001 in 2012, and at present, most of ACC plants are ISO 50001 certified. ACC plants were among those from the cement industry that led the initiative to implement ISO 50001. With systems and processes in place, and much experience with ISO 9000 and ISO 14000 systems, it was rather simple to implement



ISO 50001, and percolated smoothly through the organization; benefits were also reaped quickly.

### Salient benefits reaped by implementing ISO 50001

- People started observing day-to-day variations in energy consumption by using CUSUM charts and started



predicting future energy use which strengthened the planning process

- The process of communicating with the masses was streamlined, with charts and tables capturing and displaying energy consumption according to pre-designed templates and timelines.
- Visible cultural shift towards initiatives aimed at energy conservation in line with the energy conservation policy.
- Streamlining of audits as per pre-determined timelines
- Better monitoring through better structuring of Encon projects leading to better execution and reduced implementation time. Evaluation, after implementation, helped lesson-learning for future projects.
- Quality circles on shop-floor levels motivated employees towards more energy conservation measures, not only in the plant, but also in their communities.

Organizations of all types and sizes increasingly want to reduce the amount of energy they consume. This is driven by the need or desire to:

- Reduce costs
- Reduce the impact of rising costs,
- Meet legislative or self-imposed carbon targets,
- Reduce reliance on fossil fuels, and,
- Enhance the entity's reputation as a socially responsible organization.

In tandem, governments increasingly want to reduce the greenhouse gas emissions of their citizens and industries, and are imposing legislative mechanisms to compel greater carbon reduction.

ISO 50001 is a system which can help organizations to achieve these objectives, and also help achieve PAT targets.

