

LEVERAGING STRATEGIC ENERGY PROJECTS TO ENHANCE PRODUCTIVITY AT RED MEAT PROCESSING SITES

Project Report Reference: 2017-1015 -

Date: June 2020

Project Description

This research project was commissioned to help address the need to increase the use and uptake of AMPC research information and other training/tools to identify and develop business cases for energy productivity projects.

AMPC commissioned this project to increase members understanding of the opportunities to improve energy, waste and water management and incorporate into corporate business plans. Energy and water accounts for 20-30% of the cost of production at red meat processing sites, and addressing this significant cost goes to the heart of business competitiveness

Project Content

The overall approach for this capacity building project was as follows:

1. Engagement - Engage with AMPC and members using EOI and meeting with Environment Network group to create a project plan, identify pilot projects with three businesses.
2. Pilot program - Create training materials and tools for the pilot training program for the development of the energy productivity project business case.
3. Roadshow - Run five introductory executive briefing sessions and then delivery a roadshow of five training sessions in selected regions using the materials developed in the pilot program. Identify energy productivity projects ready for implementation.

The executive briefing sessions were designed to attract the more senior managers of the red meat processing plants. The briefing was delivered as a 90-minute session on how to make strategic energy management decisions that affect the bottom line. Benefits for site managers and owners who participated in these briefing sessions were as follows:

- Make informed decisions about energy generation, energy efficiency, energy contracts, waste, water, and energy management.
- Get expert input into the business case for the best energy productivity option for your current business plans.
- Improve your margins and gain other productivity benefits when you implement your next business initiative.
- Better manage environmental compliance challenges

The one-day training program consists of the following activities:

- An overview of strategic energy management options that can deliver step change in the profitability of your business.eg
- An introduction to an energy productivity tool that facilitates decisions on the best energy productivity options for your site given your current business plans.
- The opportunity to benchmark your energy productivity – just how much energy does it take to produce a steak, a kilo of meat or process a carcass?
- Exposure to 3 case examples of sites that have embraced energy productivity as a means of increasing profit margins for their latest business ventures.
- Step by step support with building the business case (feasibility) for your best EP option
- Access to your own energy consultant after the training to support implementation of your plans
- An opportunity to join a group of implementation ready sites and gain bigger margins from group purchasing or incentives from government programs

4. Support - Develop and support the implementation of energy productivity improvements. (out of scope of this research project)

The energy and water benchmarking tool (AMPC Project No: 2017-1030) was used extensively in this program in help engage members in the identification of energy productivity opportunities.

Project Outcome

- AMPC members contributed to the pilot case studies by providing site specific information and helping to develop business cases for solar PV, biomass boilers and wastewater treatment options.
- A significant number of AMPC members attended executive briefings and face to face workshops. However, the 1-hour webinars used to complete the project were attended by many more members (about 15 to 20 members per webinar). Further use of webinars is recommended.
- The energy and water benchmarking tool provided a well-structured approach for AMPC members to quickly identify opportunities for energy and water improvement opportunities.

Benefit for Industry

What benefit to industry does this project provide?

- This project helped to increase the awareness of the benefits of energy productivity for many AMPC members.
- The capacity building program helped to raise the use of the AMPC case studies and other information.

Useful resources

Benchmark tool, available on AMPC website.

<https://www.ampc.com.au/e-learning-resources/energy-and-water-benchmarking-tool>

Disclaimer:

The information contained within this publication has been prepared by a third party commissioned by Australian Meat Processor Corporation Ltd (AMPC). It does not necessarily reflect the opinion or position of AMPC. Care is taken to ensure the accuracy of the information contained in this publication. However, AMPC cannot accept responsibility for the accuracy or completeness of the information or opinions contained in this publication, nor does it endorse or adopt the information contained in this report.

No part of this work may be reproduced, copied, published, communicated or adapted in any form or by any means (electronic or otherwise) without the express written permission of Australian Meat Processor Corporation Ltd. All rights are expressly reserved. Requests for further authorisation should be directed to the Chief Executive Officer, AMPC, Suite 1, Level 5, 110 Walker Street North Sydney NSW.