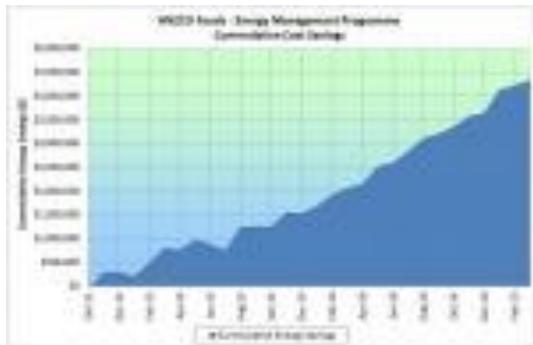


Energy management still a challenge for many firms - consultant

Kate Barker - Fri, 29 May 2015



Energy management remains a 'nice to have' for many New Zealand businesses, with some lacking the staff skills to drive savings, an industry consultant says.

Christchurch-based DETA Consulting has been involved in recent years implementing an energy management programme for Anzco Foods.

DETA managing director Jonathan Pooch says potential savings worth \$4 million a year were identified but initially the company was saving only about \$320,000 each year. The main reasons for the shortfall were a lack of staff and financial resources.

"The reality was they had day-to-day jobs already, more pressing issues that caused them to fight fires around health and safety, production," Pooch told delegates at the Energy Management Association of New Zealand conference in Wellington this week.

"Energy was seen as a nice to do, not a have to do. And unfortunately that's the reality for lots of businesses across New Zealand."

He says DETA identified a gap in terms of the project's goals "and how it was actually going to get done". The solution was to run an initial two-year programme and outsource the delivery. Systems and processes would be set up during this time and then moved back in-house.

Progress

Anzco is New Zealand's fifth-largest exporter with sales of \$1.3 billion. It has more than 3,000 staff worldwide.

Pooch says despite the size of Anzco's operations, it is a low-margin operation and the company's actual earnings are a fraction of its turnover. But that also means any savings in areas like energy management are a real benefit.

After the two-year plan was implemented, Pooch says the company's rolling 12-month savings started moving in the right direction.

The initial goal was to achieve \$2.5 million of annual savings, or 24.9 GWh. When stage one wrapped up last September, Anzco had achieved actual energy savings of 23.2 GWh and \$3.4 million.

Cumulative savings to-date have grown to \$4.5 million, he says.

Following the completion of stage one, Pooch says the intent was to hand the energy management work back in-house.

"The reality was Anzco as a company really wasn't geared to deliver energy efficiency internally."

He says the firm was keen to continue its relationship with DETA and the Energy Efficiency and Conservation Authority and opportunities were found through that structure.

The goal now is to evolve beyond technical projects and make it a systematic programme that will stay in place indefinitely.

Approach

Pooch says there are a lot of people that Anzco work with who are experts in their individual areas, but they also need to look at the skills of their own employees.

“They haven’t actually leveraged the internal resources as well as they could have.”

The consultancy firm has identified another 15 GWh and \$1 million of potential savings that the company can achieve.

“That’s going to be easily surpassed as long as we continue to get strong support.”

Pooch says another aim is to engage with more Anzco employees, not just those who are directly involved in the project.

Erin Roughton, director of Nelson-based energy management firm Emsol, told delegates that site managers have to be on board with projects if their benefits are to be achieved and maintained.

Without that, it could take twice as long to make and maintain the savings targeted.

“Many energy savings will be eroded or lost through poor maintenance,” he says.

Initial outcomes

Roughton has been working with frozen food producer Talley’s on a 30-month programme to help the firm save 5 per cent of its energy use by early 2016.

The project is focused on the company’s three largest sites, which use 120 GWh per year. Roughton says savings so far equate to about 6 per cent per year, and that is growing.

He says the sites use a lot of thermal fuel for energy “so strategically that was an area where we were equipped to get some energy savings underway”.

Replacing metal halide lighting with LEDs in one of the cool stores and changing the placement of lighting has been another area of savings so far.

Roughton says meter data has helped Emsol identify areas of excessive energy use and how it has changed following the upgrades.