YOUR FREE GUIDE FROM THE ENERGY EXPERTS

# HOW SMART FOOD MANUFACTURING BUSINESSES CAN FUTURE-PROOF THEIR ENERGY COSTS

AND PROTECT THEMSELVES
DURING UNPRECEDENTED EVENTS



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### Introduction

Food processing and manufacturing requires essential machinery, and so doing business means high energy use. What you might not be aware of is that high energy use does not have to mean high energy bills.

The title for this mini ebook inspired by businesses who knew years before the COVID-19 crisis that future-proofing meant **making sound** and logical choices with confidence. Foresight into the volatile energy market meant in times of strain like these, they were ready to meet the challenge head on.

We've collated a range of case studies that all have that one thing in common: **High energy requirements in order to do business as usual.** This challenge was not going to go away, and was more likely to get worse and impact that all-important bottom line.

We've brought together this ebook to show practical examples of saving on energy bills that goes beyond switching off the lights. We're also sharing with you our insider knowledge on the energy market, and what you can do to bring your costs down during these unprecedented times, and beyond.

# A simple to understand glossary of energy management terms

# Use this to understand the services we utilise to lower energy costs

- (4)
- **Energy Procurement:** The negotiation and tender of new retail contracts. We'll put your electricity out before a range of retailers in order to identify the best option for your business.
- **(1)**
- **Network Tariff and Demand Assessment:** Optimising the tariff you pay in accordance to the energy demand your business actually uses. The tariff is used to dictate how much grid energy is expected to be needed by your site.
- Metering and monitoring: A service used to identify the true usage of energy on your site, in order to validate and provide insights
- **Power Factor Correction:** The optimisation of your energy demand
- Access to Government rebates: An action we conduct to acquire solar rebate valuations, used to assess whether commercial solar is a financially viable option for you and your business.
- Voltage Optimisation: Ensuring the voltage at which your business receives electricity is optimised for your actual needs. Over-voltage issues can include overheating, malfunction and increased energy costs.

## Fabbris Smallgoods

#### OVERVIEW

Fabbris Smallgoods is a leading manufacturer of Australian Pork with produce aimed at gourmet consumers. The business' need for electricity and peak demand loads is extremely high. Running 24- hour refrigeration as well as an abundance of processing equipment meant Fabbris were forced to find a solution to offset rising costs.

The owners engaged Choice Energy in an effort to consolidate energy suppliers and reduce the demand from the network, resulting in improved operational expenditure and lower running costs.

After working with Choice Energy for over three years and achieving savings of over \$100,000 per year through contract negotiation and network reassignment, they wanted to investigate the business case for reducing the business' reliance on the grid.

Choice Energy ran a solar feasibility assessment and identified significant savings by installing a turnkey 60kW commercial solar system, despite the limited roof space of the building.

The business will save more through a bespoke power factor correction system, which was installed to reduce peak loads that often exceeded 400kVa.

Through these solutions, the owners can be confident that any increases in the wholesale cost of power and their network charges, won't impact their bottom line to the same extent.

### SOLUTIONS

- Commercial Solar
- Network Tariff Assessment
- Commercial Energy Procurement
- Power Factor Correction

### SAVINGS

- ✓ Peak loads reduced through a power factor correction unit
- \$100,000 saved per year through energy procurement
- √ \$10,000 saved per annum through solar energy alone



## Lago Quality Smallgoods

#### OVERVIEW

The Lago brand can be found in all discerning pizza establishments using their pizza cotto and salami range of products.

Concerned about rising energy costs, the directors enlisted Choice Energy to undertake an analysis of the business' energy bills.

By carefully monitoring the energy market on behalf of Lago, Choice Energy was able to lock in electricity retail contracts before a significant rate increase.

Choice Energy also built a consumption and load profile of the energy Lago was using. By collecting data and submitting an evidence-based application, Choice Energy was able to renegotiate a better tariff from Lago's network provider.

Choice Energy also installed a power factor correction unit for the business, in an effort to reduce the demand from its network provider.

#### SOLUTIONS

- Commercial Energy Procurement
- Power Factor Correction
- Network Tariff Assessment

### SAVINGS

- \$19,000 saved per year through tariff assessment
- ✓ \$16,300 saved per year via power factor correction unit
- \$42,300 saved per year through energy procurement



## Actions you can take right now

## CLAIM YOUR FREE ENERGY ASSESSMENT AND GAIN TRUE INSIDER INSIGHT

As energy experts, we know there are many ways that both businesses and individuals get caught out paying too much for energy. We utilise a range of techniques and strategies to ensure:



You're paying the right amount for your energy



Your tariff charge is correct for how much energy you use



Your actual energy use reflects what is said on your bill



You're on the best energy rate possible

We offer a range of services you're not usually told about by your energy retailer that let us get a more precise picture of your energy needs, and where you can save money.

This goes way beyond switching off the lights when you walk out of a room, and can make a significant dent to your bottom line, thanks to the elimination of hidden costs.

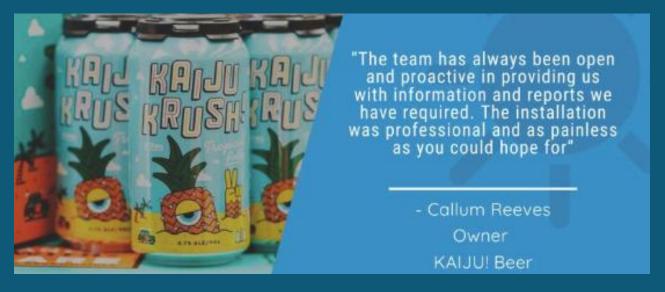
You'll enjoy the incredible insight and professional experience with your dedicated energy expert, knowing you're in great hands and can continue with business as usual while we do the hard work.

# INVEST IN HIGH QUALITY COMMERCIAL SOLAR

Solar energy might have been something you've been thinking about for a while - After all, it's a business-positive decision that puts the power back in your hands, and gives you access to clean, cost-free energy each day.

## Investing in solar for many businesses can be cash flow positive from day one.

Payments made on your system are often equivalent to or less than your current electricity spend, so when you make the switch to clean and sustainable solar, supplied to you at no cost, you'll have similar or less coming out of your pocket. And when your system is paid? You'll be enjoying cost-free solar energy for the lifetime of the system.



## We offer high quality systems backed by installation, performance and system guarantees.

You'll enjoy monthly reports from us that outline the performance of your system, ensuring it is meeting expectations and providing you with the anticipated energy output. We also ensure your energy needs are optimised, with our regular check ins and energy management opportunity. When you invest in solar with us, you're not a one-off customer, but rather a client for life.

# The recent Government stimulus package offers even further cost effective solar opportunities

In response to the Coronavirus (COVID-19) pandemic, the Australian government announced a sweeping list of benefits for businesses.

This included raising the Instant Asset Tax Write-Off to an unprecedented \$150,000, a 5 x increase for businesses with a turnover of less than \$500 million.

For businesses looking to sustainable solutions to keep their operational costs down, this tax break offers a unique opportunity to invest in an asset that manages those costs through periods of uncertainty and beyond. According to the government, the revised tax write-off – available until June 30, 2020 – opens up numerous options for businesses including making investing in renewable energy solutions more financially beneficial for businesses.



As long as it is installed and delivered by June 30 2021, **you get a 50% instant asset write off and the balance 50% will be depreciated at the current/standard method, which for solar is around 10% per annum**.

EXAMPLE: A \$500,000 solution would gain \$250,000 instant asset write off, or \$68,750 at a 27.5% tax rate and the balance of \$250,000 would be depreciated per standard depreciation rules.

## **Frequently Asked Questions**

# What services do you provide for energy management?

You'll find a full list of our energy management services on page 2, including a simple to understand explanation of each of them.

#### What do these services cost?

We receive payment for our energy management services through your service provider, retailer or included in your energy bill. Generally speaking, you will not have any costs to pay upfront, making our energy management a highly sought after service when cash flow is top of mind.

### Do you have to come onsite to do the assessments?

No - We'll simply request your last few energy bills and have you fill a form that allows us to act on your behalf in regards to energy enquiries with your retailer. You can then relax while we work hard on finding the most optimised solution for you and your business. Any on site requirements, such as metering and monitoring or solar feasibility, can also be done contactless.

### What's next?

## Our recommendations for staying safe and business savvy

- Be sure to reach out to your accountant or financial advisor to learn more about the current government stimulus packages for businesses. As things are changing day-to-day, further opportunities may be available.
- Keep in contact with those who want to assist you, and want to see your business succeed. We are here to help, and ready to offer noobligation advice on managing your energy costs during this turbulent time.
- Take care of yourself. It's the perfect time for business operator burnout, so ensure you're getting quality food, sleep and downtime.
   Even if it's taking a moment to chat to a mate or kick a ball with the kids, it's important to remember you're human too.

### Reach out to us today

You can reach out to our team on 1300 304 448 during business hours, or get in touch any time at <a href="www.choiceenergy.com.au">www.choiceenergy.com.au</a> or emailing info@choiceenergy.com.au.

NOTE: The information provided on this website is general in nature only and does not constitute personal or commercial financial or taxation advice. The information has been prepared based on our interpretation of the IAWO program and has not taken into consideration your personal or business objectives, financial situations or needs. Before acting on any information on this website, or others, you should consider the appropriateness of the information with regard to your personal or business objectives, financial situations or needs. Speak to your Accountant, Tax Advisor or the Australian Tax Office for any questions you may have with regard to the application of the Instant Asset Write Off for your business.

### **About Us**

Our mission is simple. We're here to help you reduce energy costs for your business.

We're a team dedicated to providing energy efficiency and management in ways that make sense to your business that is as economic as it is sustainable.

We're here to provide life long service to you and your business, from solar opportunities through to energy management that together can mean a little line change on your bill, and a big number change on your bottom line.

## **CHOICEENERGY**® 1300 304 448























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