

American Foods Group energy team finds over \$1 million of low-hanging fruit

CASE STUDY

American Foods Group in Green Bay is a model of consistency, diligence, and eagerness as it pursues an energy-efficiency advantage in the face of inexorable energy cost increases.

“We understand that energy costs are going up and appreciate the service that Focus on Energy provides so that we can understand and better control our energy costs,” said Dan Klaus, senior manager at American Foods Group.

Energy costs are part of doing business, so why not be efficient about it? Controlling energy costs is the way to do it.

SEEING THE IMPACT

Teaming with Wisconsin Public Service Corporation (WPS) and Focus on Energy, Wisconsin’s statewide program for energy efficiency and renewable energy, American Foods Group has created an energy-management team that rigorously seeks out new energy-saving opportunities. To date, the company’s energy-management team has considered more than 51 projects. They completed 16 projects in 2006, which translated into \$143,000 in energy cost savings with a half-year payback on costs.

Another 11 projects have been quantified, submitted, and/or approved. These new projects will save an additional \$0.9 million with an average payback of about six months.

ABOUT AMERICAN FOODS GROUP

American Foods Group, located in Green Bay, Wis, is a bona fide Green Bay packer. It processes cattle to produce branded and private-label beef products for the grocery and food service industries. Products include fresh, frozen, and cooked meats such as ground beef, bacon, beef cuts, deli meats, and sausage. American Foods Group also operates a pet treat business.



The team, including representatives from accounting, operations, and management, began small after attending the Focus on Energy training seminar Practical Energy Management™ in the spring of 2005.

The team meets for one hour every two weeks. At each meeting, the team identifies new projects and enters them into their tracking spreadsheet. The project tracker includes the date of entry, the next task related to that project, and the person responsible for completing the task. Most projects require several bite-sized tasks that can be accomplished by the next meeting to maintain momentum. Tasks may include estimating potential energy savings, getting bids from contractors, or even taking a field trip to investigate a technology. Eventually the project list gets vetted for feasibility and priority. The tracking spreadsheet can estimate energy savings and can be used to identify and assign new responsibilities.

The ability to quantify energy savings provides great value, enabling the team to visualize the impact of its efforts. The team can now show projections and results to upper management and provide the capital improvement team with energy-efficiency project ideas for consideration in budget decisions.

For more information,
call **800.762.7077** or
visit focusonenergy.com.

Planned and Completed Energy Efficiency Projects at American Foods Group

	Number of Projects	MWh Saved	kW Reduced	Therms Saved	Water Saved (MM Gals.)	Cost Savings	Project Cost	Simple Payback (Years)
Over Priority Threshold	3	804	0	0	0	\$35,512	\$14,002	0.4
Submitted or Approved	8	255	131	507,469	31,616	\$864,946	\$519,388	0.6
Completed	16	1,537	99	51,668	9,018	\$143,176	\$74,161	0.5
All Project Opportunities	27	2,596	230	559,136	40,634	1,043,634	607,551	0.5

“We recognize the value of saving energy on a large scale that makes a difference on profit. We also realize that by educating our employees, they can impact their own utility bills,” said Buck Derouin, plant engineer at American Food Groups.

HOW CAN FOCUS ON ENERGY HELP YOU?

Focus on Energy provides specialized support for Wisconsin industries. Services include project evaluation assistance, savings assessment, and financial assistance for stalled projects. For more information, call **800.762.7077** or visit **focusonenergy.com**.

AMERICAN FOODS GROUP ENERGY TEAM ELEMENTS OF SUCCESS

- ✓ Corporate champion
- ✓ Dedicated personnel
- ✓ Multifunctional team
- ✓ PEM project tracking software
- ✓ Short meetings every two weeks
- ✓ Strong facilitator
- ✓ Team accountability
- ✓ Doable, bite-sized assignments

Practical Energy Management™ (PEM) is a customized, systematic energy-management approach to profile energy use, identify and prioritize energy-saving projects, capitalize and implement projects, communicate results to management, and continually improve your overall process. The process is customized to meet the user’s specific needs. The tools provided by PEM include project-tracking software and energy best-practice calculations. It provides a tool for you to “fish” for energy savings on your own, long after Focus on Energy has left your site.

Through Focus on Energy, you can also enroll in specific on-site training, coaching, and team facilitation for your company’s Practical Energy Management team. Sign up today for Focus on Energy’s Practical Energy Management Overview. Visit **focusonenergy.com/training**.

Focus on Energy works with eligible Wisconsin residents and businesses to install cost-effective energy efficiency and renewable energy projects. Focus information, resources, and financial incentives help to implement projects that otherwise would not be completed, or to complete projects sooner than scheduled. Its efforts help Wisconsin residents and businesses manage rising energy costs, promote in-state economic development, protect our environment, and control the state’s growing demand for electricity and natural gas. For more information, call **800.762.7077** or visit **focusonenergy.com**.

