



November 2015 Article

An Introduction to Utility Efficiency for Wineries

Do you know how much of your cost of production is linked to utility use?

Bottom line, the cost of utilities is greater than the utility bill. Over the next few months this column is intended to help you sort out and manage these costs.

Downtime, waste management and maintenance are a few of the many costs directly connected to utility use. The order in which you choose to act has an impact on how efficient your facility can get. Our collective goal is to prioritize actions that minimize avoidable wastes (and costs). This approach is based on my observations from more than 300 food and beverage utility audits, 200 food industry energy/water efficiency case studies and over 1000 facility walk-throughs.

Step 1 is a baseline. A baseline is a scorecard for developing key performance indicators. To begin, calculate the annual cost for all of the following:

- hydro, water, sewer, gas and propane;
- facility maintenance;
- processing labour;
- downtime (person hours of labour lost)
- workman safety insurance rates and cost;
- environmental compliance;
- well maintenance and water treatment chemicals;
- product recalls;
- waste management and
- percentage of interest on operating line of credit proportional to the operating line dedicated to the above costs.

Step 2 is record-keeping. The Provision Coalition has a secure portal where you can record baseline data on your facility. This service is free to food and beverage processors in Ontario. You can access the Provision Coalition website at <https://www.provisioncoalition.com/Home>.

Why you should use the Provision Portal:

- Provision is your independent, secure, third party environmental interest group that represents food and beverage processors.
- With your baseline, you get a scorecard on how well your company performs against all other wineries in the data base.