

CASE STUDY: PROCESSING PLANT

Utility Management Services, Inc. Reduces Annual Utility Expenses for **Cargill Turkey Products** **\$197,000 in Savings**

As a 25+ year veteran of Cargill, Karen Ziska was excited for the opportunity to become the controller for the Cargill Turkey Products Plant in Dayton, VA. Karen had previously held accounting management positions in Cargill's steel and flour operations in Minnesota and Kansas. She looked forward to learning about a new market segment and moving to the beautiful Shenandoah Valley.

Cargill Turkey Products

Cargill Turkey Products processes 7.4 million pounds of product per week. The 330,000 square foot plant is home to 1,200 employees.

Competition in the industry is high, making it difficult to pass cost increases on to consumers. With volatile commodity markets, the price of feed was increasing, driving up the cost of turkeys. Rising utility rates have put additional pressure on prices.

Utility Bill Audit

Electricity is a major line-item for the plant at more than \$2 million per year for two large electric accounts. Karen was challenged to find cost-saving opportunities and decided to focus on reducing their utility bills.

Karen turned to the experts at Utility Management Services, Inc. (UMS) for a utility bill audit. The contingency based UMS agreement was risk-free for Cargill. If no savings were produced, there would be no cost.

The certified Business Energy Professional analysts at UMS performed a thorough audit of the Cargill accounts. The audit included obtaining the energy usage for each 30 minutes for two accounts – more than 35,000 data points! The analysts used UMS' proprietary software, RateMaster, to analyze this complex data in search of errors, overcharges and ongoing savings opportunities.



Karen Ziska (left), Controller at the Cargill Turkey Products Plant in Dayton, VA with Brian Coughlan, President of Utility Management Services, Inc.

Based on the specific needs and usage patterns for the plant, the analysts were able to identify lower pricing options and contract terms for the plant. They negotiated and executed a much more favorable Power Purchase Agreement with the power provider.

Collectively, the plant is saving \$197,000 per year as a result of this work. This has improved the bottom line for the plant and earned accolades and recognition from management for Karen for initiating this project.



\$150 Million In Savings For Our Customers



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