

National Foods Limited PUBLIC REPORT 2011

Part 1 - Corporation Details

Controlling Corporation

National Foods Limited

Period to which this report relates

From

1 July 2006

To

30 June 2011

Table 1.1 - Major Changes to Corporate Group Structure or Operations

Table 1.1 – Major Changes to Corporate Group Structure or Operations

National Foods has continued to progress the implementation of opportunities identified in previous annual reports at Burnie, Chelsea, Smithfield, Vitasoy, Canberra, Morwell, Penrith, Wetherill Park, Lytton, Booval, Malanda and Bentley. The cross-pollination of opportunities across all National Foods sites has also continued via a number of internal channels. Additionally, progress on the EEO program is continuing to be reported quarterly to the National Foods Operational Risk Committee which was set up for the purposes of EEO reporting to senior management.

As a result of National Food's acquisition of Dairy Farmers, the ARS for both companies was revised and rolled into the one updated ARS for National Foods at the end of the 08/09 reporting period. This was subsequently approved by the Department of Resources, Energy and Tourism early in 2010. Further significant changes have continued across the business and as a result of Kirin Holding's purchase of the former Lion Nathan business, National Foods will in subsequent reports be incorporated into reporting under 'Lion', now referred to as Lion Dairy and Drinks.

Table 1.2 – Aggregate energy assessed covered in this report



Table 1.2 – Aggregate energy assessed covered in this report

Total energy use covered by all assessments in this report	1,244,517	GJ
Total energy assessed as percentage of total energy use of the corporate group**	79	%

* If this report covers only part of the corporate group, then the percentage should be computed on the total energy use for that part of the group covered in this report

Please note that corporations are required to assess 80% or more of their energy use in the first five-year assessment cycle and 90% or more in subsequent five-year assessment cycles. Accordingly, for those corporations with a 2005-06 trigger year (i.e. those corporations at the end of their first-five year assessment cycle), the value in "Percentage of corporation's energy use assessed" above, must be more than 80%.

Declaration

Declaration of accuracy and compliance

The information included in this report has been reviewed and noted by the board of directors and is to the best of my knowledge, correct and in accordance with the *Energy Efficiency Opportunities Act 2006* and *Energy Efficiency Opportunities Regulations 2006*.

Peter Kean
Managing Director Lion Dairy & Drinks

Date
19/11/12

Part 2 - Assessment Outcomes

Table 2.1 – Assessment Details

It is compulsory to complete a separate table for each group member, business unit, or key activity that has been assessed

Name of group member or business unit or key activity

Salisbury

Total energy use in the last financial year

64,650

GJ

Energy use assessed in this entity as a percentage of total entity energy use*

100

%

Energy use assessed in this entity as a percentage of total corporate energy use

4

%

Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

NA

%

NA

Period over which assessment was undertaken

May 2011

August 2011

Description of the way in which the entity carried out its assessment

As in previous years, the EEO assessments for National Foods Limited for the reporting period 10/11 have been undertaken by a consultancy with experience in energy auditing and the EEO program. The National Foods team have worked closely with the consultant in order to ensure maximum value is derived from the program, and involvement from the participating sites is also optimised.

* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2 - Energy efficiency opportunities identified in the assessment

It is compulsory to complete a separate table for each group member, business unit, or key activity that has been assessed

Table 2.2 – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to $\pm 30\%$		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – \leq 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	0	0	0	0	0	0	0	0
	Implementation Commenced	1	0	0	1	720	0	0	720
	To be Implemented	0	0	0	0	0	0	0	0
	Under Investigation	10	0	0	7	4,904	3	1,195	6,099
	Not to be Implemented	9	1	129	6	2,809	2	873	3,811
Outcomes of assessment	Total Identified	20	1	129	14	8,433	5	2,068	10,630
Status of opportunities identified to an accuracy of worse than $\pm 30\%$									
Business Response	Implemented								
	Implementation Commenced								
	To be Implemented								
	Under Investigation								
	Not to be Implemented								
Outcomes of assessment	Total Identified	NA							

Please note that Corporate Groups are not required to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.

Name of group member or business unit or key activity

Leeton

Total energy use in the last financial year

52,481	GJ
100	%
3	%
NA	%

Energy use assessed in this entity as a percentage of total entity energy use*

Energy use assessed in this entity as a percentage of total corporate energy use

Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

NA

Period over which assessment was undertaken

October 2010	February 2011
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Description of the way in which the entity carried out its assessment

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* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2 - Energy efficiency opportunities identified in the assessment

It is compulsory to complete a separate table for each group member, business unit, or key activity that has been assessed

Table 2.2 – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to $\pm 30\%$		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – \leq 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	0	0	0	0	0	0	0	0
	Implementation Commenced	1	0	0	1	157	0	0	157
	To be Implemented	2	0	0	1	1,863	1	183	2,051
	Under Investigation	2	0	0	2	1,077	0	0	1,077
	Not to be Implemented	8	2	74	3	7,677	3	2,025	9,743
Outcomes of assessment	Total Identified	13	2	74	7	10,746	4	2,208	13,028
Status of opportunities identified to an accuracy of worse than $\pm 30\%$									
Business Response	Implemented	3							
	Implementation Commenced	0							
	To be Implemented	0							
	Under Investigation	0							
	Not to be Implemented	0							
Outcomes of assessment	Total Identified	6							Not quantified

Please note that Corporate Groups are not required to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.



Name of group member or business unit or key activity

Burnie, Chelsea, Smithfield, Vitasoy, Canberra, Morwell, Penrith, Wetherill Park, Lytton, Booval, Malanda, Bentley.

Assessments carried out in previous reporting years in the current assessment cycle.

Total energy use in the last financial year

1,242,649 GJ

Energy use assessed in this entity as a percentage of total entity energy use*

100 %

Energy use assessed in this entity as a percentage of total corporate energy use

72 %

Accuracy of above estimates related to energy use assessed - only required if not ±5% or better

NA %

NA

Period over which assessment was undertaken

July 2006

June 2010

Description of the way in which the entity carried out its assessment

For the current assessment cycle, the EEO assessments for National Foods Limited have been undertaken by a consultancy with experience in energy auditing and the EEO program. The National Foods team have worked closely with the consultant in order to ensure maximum value is derived from the program, and involvement from the participating sites is also optimised.

* Please note that, for individual sites that use more than 0.5PJ of energy, all energy use must be assessed (less a small proportion for non integral energy use).

Table 2.2 - Energy efficiency opportunities identified in the assessment

It is compulsory to complete a separate table for each group member, business unit, or key activity that has been assessed

Table 2.2 – Energy efficiency opportunities identified in the assessment									
Status of opportunities identified to an accuracy of better than or equal to $\pm 30\%$		Total Number of opportunities	Estimated energy savings per annum by payback period (GJ)						Total estimated energy savings per annum (GJ)
			0 – < 2 years		2 – \leq 4 years		> 4 years		
			No of Opps	GJ	No of Opps	GJ	No of Opps	GJ	
Business Response	Implemented	59	-	91,979	-	594	-	nil	92,573
	Implementation Commenced	7	-	11,272	-	9,543	-	47	20,862
	To be Implemented	16	-	930	-	625	-	662	2,217
	Under Investigation	79	-	21,815	-	9,546	-	5,414	36,776
	Not to be Implemented	69	-	37,680	-	4,213	-	11,765	53,658
Outcomes of assessment	Total Identified	230	-	163,677	-	24,520	-	17,889	206,086
Status of opportunities identified to an accuracy of worse than $\pm 30\%$									
Business Response	Implemented								
	Implementation Commenced								
	To be Implemented								
	Under Investigation								
	Not to be Implemented								
Outcomes of assessment	Total Identified								

Please note that Corporate Groups are not required to report opportunities with a payback greater than 4 years. Reporting this data is voluntary.

Table 2.3 - Details of significant opportunities identified in the assessment

Corporate Groups are required to provide at least 3 examples of significant opportunities for improving the energy efficiency of the group that have been identified in assessments.

Description of Opportunity	Voluntary Information	
Leeton Leeton is a Juice extraction and production site located in the Riverina in New South Wales. Condensate is not currently recovered at this site. As there is a direct use of steam to heat the CIP water and most steam is used for indirect heating, a condensate pump is planned to be installed to recover condensate and save a significant amount of energy for the site.	Business Response	
	Energy saved (GJ)	
	Greenhouse gas abated (CO2-e)	
	\$s saved	
	Payback period	

Description of Opportunity	Voluntary Information	
Salisbury Salisbury is a Milk production site located in the northern suburbs of Adelaide. The refrigeration glycol temperature set point has been raised from -6°C to -4.5°C. Savings have been estimated of 3% of refrigeration energy per degree raised. This opportunity has recently been implemented and energy savings are currently being determined.	Business Response	
	Energy saved (GJ)	
	Greenhouse gas abated (CO2-e)	
	\$s saved	
	Payback period	

Description of Opportunity	Voluntary Information	
Lytton Lytton is a Juice production site located in Brisbane. As a result of their assessment they were able to build on existing energy reduction opportunities and identify further options for reducing energy usage as part of the EEO program. Many of the projects implemented have been focused on behaviour change including turning off lights and equipment. Other identified opportunities, such as the ongoing compressed air and steam trap audits have also been successful in saving energy for the site. They further continue to identify and implement new opportunities and are currently investigating heat recovery from compressors to heat water used in the ring main around the site and also variable speed drives on their cooling towers which have a heavy demand.	Business Response	
	Energy saved (GJ)	
	Greenhouse gas abated (CO2-e)	
	\$s saved	
	Payback period	

Please note that the "Description of the Opportunity" above should include information on the specific nature and type of opportunity, as well as information on the type of equipment and/or process involved.