



A 6.4-month payback — that's big savings out of thin air

CASE STUDY

✓ KIK Custom Products

PROJECT STATISTICS

By replacing 5 inefficient compressors with 2 energy-efficient units, KIK Custom Products cut annual electrical costs by over \$180,000. The incentive reduced the project cost to \$83,245, which created a payback of just 6.4 months.

Total project cost: \$191,370

Demand savings: 194.4 kW

Energy savings:
1,700,000 kWh/yr

Electricity savings:
Over \$180,000/yr

Incentive: \$95,685



KIK Custom Products manufactures and packages household products such as sunscreens and toothpaste for many leading brands. Compressors are used throughout the facility to fill bottles and cap them.

Upon an analysis of their systems, KIK found that the fastest way to cut electricity use for their compressors was to replace five old units with two energy-efficient models. This qualified for a **RETROFIT PROGRAM** incentive which resulted in an impressive payback of mere months. The entire project, from proposal to commissioning, was completed in just six months.

“Compressors are at the heart of the operation here. They run 24/7. Every line has equipment which is driven by compressed air. Before the project, compressors consumed about 20 per cent of overall electricity. Now it's down to 10 per cent. We'll see those savings compounded year after year.”

RIGHT:
Kamen Petrov, Engineering Manager,
KIK Custom Products

“In addition to the direct cost savings from energy consumption, we also benefited from cost avoidance, not having to deal with repair and maintenance for the next 5 to 10 years.”

Kamen Petrov, Engineering Manager, KIK Custom Products

What is compressed air costing you?

Ontario manufacturers spend up to 20 per cent of their electricity bills on compressed air. Inefficient systems typically use 20 to 50 per cent more electricity than necessary. Start optimizing your systems by fixing air leaks, implementing equipment such as zero loss drains and then

analyzing the efficiency of the compressors themselves. The payoff is often immediate.

Many operators have never monitored the energy use of their compressed air system, and therefore don't know the true costs. This table outlines the typical per motor consumption costs based on hours of operation (assumes \$0.10/kWh).

Compressor size	1 Shift (2,250 hrs)	2 Shifts (4,250 hrs)	3 Shifts (8,400 hrs)
10 HP	\$1,720	\$3,250	\$6,430
25 HP	\$4,300	\$8,130	\$16,060
100 HP	\$17,120	\$32,330	\$63,900

Based on \$0.10/kWh

The right savings solution isn't always obvious

Call Toronto Hydro to discuss your system. You may qualify for incentives for an energy audit or engineering study to find your best path to savings. We offer up to 100 per cent funding* to hire an expert to conduct a system audit.

“Take advantage of the incentives.”

Petrov's advice for other businesses: “Anybody looking at these projects will find that the incentive programs become more and more beneficial as electricity prices go up. It would be simply foolish not to take advantage of them.”

Toronto Hydro Incentive Programs

Toronto Hydro offers **saveONenergy** programs that provide financial incentives and technical assistance to help improve your energy efficiency. With programs available for commercial, institutional, multi-residential and industrial buildings, conservation can be an attractive investment opportunity with excellent returns. Discover your best energy-saving opportunities by starting with an energy audit and then apply for the appropriate incentive programs for further funding.



Visit torontohydro.com/business

for more information or to apply online for incentive programs.

Hotline: 416.542.3388 Fax: 416.542.2980 email: cdm@torontohydro.com

*Incentives are subject to maximum amounts based on the potential saving and the applicable incentive program. Subject to additional terms and conditions found at torontohydro.com/business. Subject to change without notice. Programs are funded by the Ontario Power Authority and offered by Toronto Hydro. Project results have been verified by Toronto Hydro. Incentive amounts listed exclude taxes. A mark of the Province of Ontario protected under Canadian trade-mark law. Used under sublicense. TMOfficial Mark of the Ontario Power Authority. Used under licence. The star design is a trade-mark of Toronto Hydro Corporation. Used under licence. 'Toronto Hydro' means Toronto Hydro-Electric System Limited.

