

Energy Management at Winpak Efficiency Manitoba Hearings

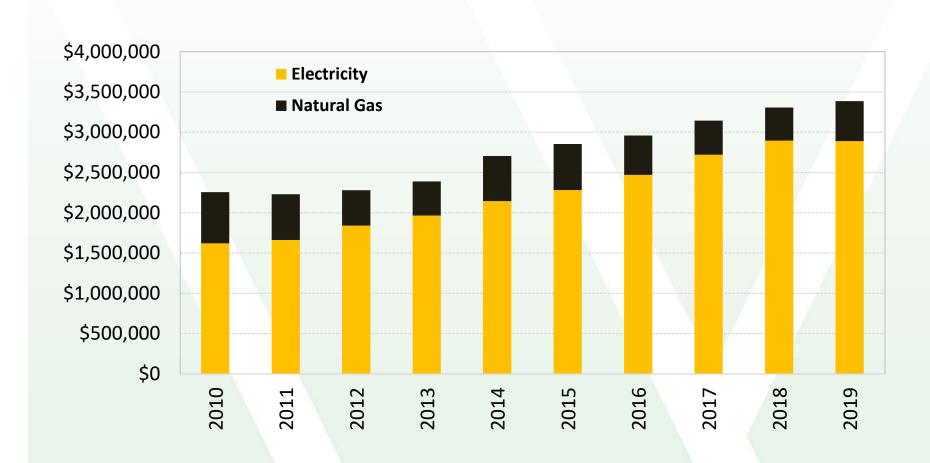
Winpak Division Chris M. Parker, P.Eng. Jan 2020

INTRODUCTION

- WINPAK is a publicly traded company (TSE WPK). Majority shareholder is WIHURI Oy.
- 12 production facilities in Canada, United States and Mexico. Started in Winnipeg over 40 years ago. Headquartered in Winnipeg.
- At the end of 2018, annual sales of \$889 million U.S.\$ and over 2,400 employees, of which 775 are employed with Winpak Division, Winnipeg.
- Winpak Division in Winnipeg produces flexible packaging to protect perishable foods,
 beverages, health care and industrial products.
- Winpak Division is a significant user of electricity (52 GWhr) and natural gas (2.6 million cubic meters).



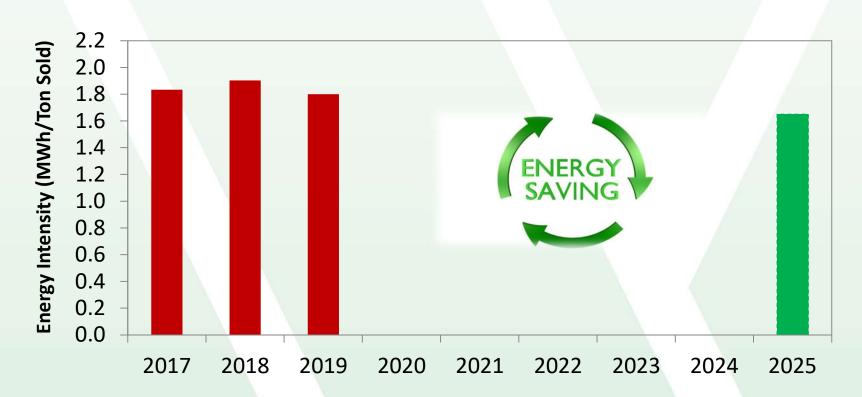
ENERGY COST AT WINPAK DIVISION





WINPAK DIVISION ENERGY REDUCTION TARGET

- Winpak is committed to sustainability, including energy reduction.
- We have a full time engineer, with CEM training, focused on energy usage.
- Short term: 2,000 MWh energy saving annually
- Mid term: 10% reduction in Specific Energy Consumption (SEC) by end of 2025





ENERGY CONSERVATION MEASURES

| Year | Cost (\$) | Energy Saving (eMWh) | Hydro Rebate (\$) | Payback (years)* |
|-----------|-------------|----------------------|----------------------|---------------------|
| 2018 | \$109,400 | 659 | \$37,942 | 2 |
| 2019 | \$647,499 | 1,996 | \$196,549 | 6 |
| 2020/2021 | \$1,110,494 | 1,672 | \$341,746 | 6 |

Winpak participates in the Energy Manager Program, and the various Optimization Programs previously offered by MB Hydro to support these conservation projects. Ongoing support is important to our efforts.



*Includes all MB Hydro rebates



COMPRESSED AIR PROJECT

- Replaced an aging 180 kW VSD compressor with a new 160 kW oil free VSD compressor including a central control system
- Conducted an end use study to identify significant end use compressed air and leakage reduction potential
- Installing a new low pressure compressor to replace an existing load/unload compressor.
- Implemented Compressed air leak management program and optimize demand side







Electricity saving: 1269 eMWh/year

Incremental Cost: \$514,297

Simple Payback (with incentives): 4 years

Simple Payback (without incentives): 6.2 years



Energy is an important resource

- Winpak is committed to energy reduction and will continue to partner with Efficiency Manitoba to reach our mutual goals.
- Winpak is also concerned about energy costs, and Efficiency Manitoba must make prudent investment in all of its projects.
- Efficiency Manitoba and Winpak must balance energy reduction and careful spending.

