

Muntons case study

Greater control and flexibility helps
Muntons achieve energy savings



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Malt processing business Muntons switched to a flexible contract with Gazprom Energy in 2010, enabling the manufacturer to buy energy in line with market fluctuations, allowing it to achieve significant savings on its energy costs.

Muntons brings in 125,000 tonnes of malt and barley every year to produce 96,000 tonnes of its final product, used by breweries, distilleries and in the food industry. It consumes around 80 million kWhs of energy annually, with 95 percent of its gas usage taken by its three-stage kilning process – which sees 600,000 cubic meters of air circulated daily at temperatures of up to 85 degrees C.

Excluding the cost of malt, energy makes up around a third of the company’s controllable overheads. In addition to investing in efficiency savings in its processes, Muntons’ contract with Gazprom Energy has helped it significantly reduce the costs of doing business.

Guy Newsam, General Manager at Muntons, explains: “We have invested in reducing our consumption and have the world’s most efficient gas-fired kiln system on site. We were keen to see where other savings could also be made since energy cost has such a large impact on our business.”

“Flexibility is particularly important for us. While we have a large manufacturing process happening every day, we’re also naturally tied to the harvesting of barley – meaning that our energy consumption is often quite seasonal and peaks at particular points in the year.”

“Aside from offering a competitive deal, our contract with Gazprom Energy also allows us to purchase gas when the market hardens, and remain flexible as prices fluctuate, something that our previous supplier couldn’t offer. We hadn’t quite realised the extent of the savings that could be made by basing purchasing decisions on market fluctuations until we switched and, with guidance from the Gazprom Energy team, we’ve been able to reduce our energy costs. Having access to the level of experience and knowledge within the Gazprom Energy team has also helped Muntons ensure accuracy in its billing.”

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“We have automated meter reading (AMR) technology installed across the site since accuracy in our billing is absolutely crucial. The team at Gazprom Energy were very quick to resolve an issue we once had with an AMR device – one of its correctors stopped working and this halted the flow of data which Gazprom Energy uses to calculate our monthly invoice. In addition, the team also prevented this happening in future by installing back-up correctors which means we will continue to receive bills based on our actual gas consumption, even if there are any technical issues at this side.”

The challenge

To provide Muntons with greater control and flexibility over how it procures its energy to help reduce energy costs – a significant outgoing for the business.

To deliver accurate monthly invoices based on Muntons’ actual gas consumption – even when technical issues arise.

The solution

A flexible contract allowing Muntons to fix its gas price when the market hardens, and remain flexible when prices fluctuate.

Providing back-up correctors for its automated meter reading technology, to ensure consumption data keeps flowing.

The benefits

- Flexible purchasing allowing Muntons to make decisions based on market movement.
- The backup system for automated meter reading technology ensures consumption data keeps flowing between Muntons and Gazprom Energy.

Gazprom Energy works closely with a range of large manufacturing businesses and other large energy consumers, helping them build flexible contracts that give businesses the control to reduce their energy costs.



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