

Expected Benefits and Calculation Detail

This guide provides examples (based on improvement activities completed in the past) to highlight the type of information and level of detail required to complete the section of the Ideas Form called: Expected Benefits and Calculation Detail.

Example 1

Initiative Name:	Consignment note (bin ticket) Project
Initiative Description:	This improvement was identified as a result of an internal audit that identified an opportunity to standardize the layout of the consignment notes across the four CST regions so that the hard copy books could be consolidated into a single print job.
Expected Benefit and Calculation Detail:	Current cost is \$15 per book. Around 2,000 books need to be printed each year across the business. Estimate 20% reduction in printing per book, therefore \$6,000 expected benefit.

Example 2

Initiative Name:	Chemical reduction - Amylase
Initiative Description:	Implement automated control of Amylase dosing to mitigate against overdosing and under dosing. This control would be based on crushing rates or as per cane quality/variety. Better controls should allow for a reduction in the dosing set point to save on chemical costs.
Expected Benefit and Calculation Detail:	Reduction of chemical usage and process efficiency. Current annual spend on Amylase is \$331,000, estimate ~5% reduction in chemical usage based on 15.5m tonnes of cane. Expected benefit is \$17k

Example 3

Initiative Name:	Roller arcing improvement
Initiative Description:	Improve quality of mill roller arcing by outsourcing and utilising newer roll arcing machines. This should improve mill extraction, reducing bagasse losses and increasing PSI (Pool Sugar Index).
Expected Benefit and Calculation Detail:	Expected benefit is 0.5 units increase in PSI ¹ by reducing bagasse losses. For Plane Creek, at 14ccs at 1.4 million tonnes, this equates to approximately 980 tonnes of IPS sugar. At \$650 per tonne, the expected benefit is approximately \$600K. Net benefit = Expected benefit less cost of contractor.

¹ For ideas that improve Pool Sugar Index, use the PSI calculator

Example 4

Initiative Name:	Shredder tips
Initiative Description:	Shredder tips are a high cost consumable used to prepare the sugar cane for the milling process. Standardising the design (flat tip) and grade of the material (Tungsten H15F) will lower the cost of this consumable.
Expected Benefit and Calculation Detail:	\$20 saving per unit x 10,000 shredder tips used in a year = \$200,000