THE AUSTRALIAN
Monday, March 7, 2022 | Today's Paper | Mind Games

Beston spreads the sustainable message

Good for the environment, good for business and good for dairy as Beston Global Foods embraces solar.

Jackson Hewett

Dairy Australia

The Australian takes a closer look at Australian dairy's sustainability initiatives

A South Australian milk processor and cheesemaker is about to become the first large dairy company in Australia to supply nearly half of its own power needs from renewable energy generated on site.

The Beston Global Food Company, publicly listed on the Australian Stock Exchange, will invest more than $7 million this financial year installing 4241

ground-mounted solar panels covering 4.5 hectares of farmland surrounding its state-of-the-art cheese factory at Jervois, near the SA river town of Murray Bridge.
The large-scale 1.4 Megawatt solar farm at Beston's Jervois dairy factory will generate enough electricity to replace at least 46 per cent of the company's local power needs, equivalent to the average electricity consumption of 500 households.

The Jervois solar installation will also have the capability for electricity to be sold into the National Electricity Grid when high spot electricity prices make it financially worthwhile for Beston to do so.

Plans are also in place for large-scale power storage batteries to be installed, enabling cheap solar-generated power to be available to the factory continuously all day and night.

The trailblazing renewable energy move by Beston has been driven by a desire to better control and reduce its costs – electricity demand is a large component of operating expenses in dairy processing facilities – and from a strong corporate commitment to greater environmental sustainability, reduced greenhouse gas emissions and a lower overall carbon footprint.

Beston Food Company makes both soft and hard cheeses as well as dairy desserts, cream and butter at its two factories at Murray Bridge and Jervois, under its award-wining cheese brands, Edwards Crossing and Mabel's.

It exports about half its production, with the company committed to producing natural, verifiably safe and premium Australian dairy products underpinned by sustainable and responsible farming and processing methods.

Beston Food Company's General Manager of Asset Development, Alistair McFarlane, expects cost savings from the solar power switch to be greater than $1 million a year, especially since electricity prices have been rising steeply as coal-fired generation has become more inefficient.

"With our own solar power generated on site, and with batteries installed in particular, it means that if we get power supply "brownouts" at times of peak electricity use as we periodically do in South Australia, it won't affect our processing, we won't miss production targets and we won't be hit with non-delivery penalties by our retailers," explains Mr McFarlane.

"But it is more than that; we are an ASX-listed company and we want to be a socially and environmentally conscious and responsible business in everything we do – we not only need to do [renewable energy] but we want to be leaders in this space."

As well as switching to renewable energy generation at Jervois, Mr McFarlane said the company is looking to reduce the plastic in its packaging and use 98 per cent recyclable packaging materials by 2025.

Water use from the Murray River has also been drastically reduced with new low-water mozzarella processing technology installed, and salt content in effluent water after cheese processing considerably lowered.

Beston is also keen to help its farmers and milk suppliers – it buys milk from 45 dairy farmers all exclusively farming in South Australia from Mount Gambier to the Adelaide Hills - move forward and change their energy sources too.

Mr McFarlane points out there is plenty of room to expand the solar panel array at Jervois, with a further 80 hectares of land available, if it proved worthwhile. "We don't want our dairy farmers to be at a disadvantage; they need to be efficient to survive and their concerns are our concerns; we will

be encouraging and helping them to install solar panels on their dairies and shed roofs using the many government subsidies, rebates and cheap loans that are available now," said Mr McFarlane.

"Our mission is to make sure we have a sustainable dairy industry, and business, in SA; we are also looking at how, if we have excess solar generation at Jervois, we could deliver that excess renewable power to our farmers by putting that power into the network and them drawing it out at a reduced rate."

The move by Beston and other dairy processors, such as Victoria's Burra Foods which installed a smaller 100 kilowatt solar array in 2018, to generate their own renewable energy, aligns to the goals set out in the Australian dairy industry's sustainability framework.

It aims to build the $4.4 billion Australian dairy industry's "eco-efficiency", reduce the environmental footprint of its 1.44 million dairy cows, 5200 dairy farms and 11 big dairy processing companies and cut the industry's greenhouse gas emissions and waste.

In turn it hopes to boost the industry's sustainability and ethical farming credentials in the eyes of consumers, both within Australia and overseas, where more than one-third of Australia's dairy products are exported.

As part of the industry's sustainability commitments, the biggest dairy processors in Australia – which include major players such as Fonterra, Saputo and Bega Cheese, as well as smaller processors such as listed Beston and Burra - are in the process of reducing their greenhouse gas emissions intensity by 30 per cent, their consumptive water intensity by 30 per cent and committing to 100 per cent of recyclable packaging.

Dairy processing is energy intensive - especially those that dry milk into skim milk powder or infant formula powders - with Saputo ranked 62nd on

the list of top Australian electricity users in 2017-18 by the National Greenhouse Emissions Reporting Scheme, Fonterra ranked 107th, and Bega 145th.

At the farm level, recent Dairy Australia research showed nearly one-third of all milk producers have now installed solar PV panels on their dairies and farm sheds, with power generation capacity averaging 10 kilowatts but ranging up to big solar systems generating 40KW.

One stand-out farm business committed to sustainability and ethical, low impact dairy farming is the Daubney family's Bannister Downs Dairy at Northcliffe in south-west Western Australia, now owned in partnership with Hancock Agriculture's Gina Rinehart.

The only dairy production facility of its kind in the world, its stunning state-of-the-art robotic "dairy creamery" and visitor centre is powered by a 100 KW array of roof-mounted solar panels that generate enough renewable energy to power the entire 'grass-to-gate' facility, from milking its 2200 cows right through to processing and packaging its premium milk and cream products.

Beston's Alistair McFarlane says the dairy industry is taking substantial steps towards greater environmental sustainability, which fits in with his own dairy group's aims and beliefs too.

"The Beston Global Food group is committed to protecting the environment and ensuring the sustainability of the resources we use in our production processes, as well as in meeting the expectations of our stakeholders and the communities in which we operate," says McFarlane.

"At Beston, what is good for the environment is good for our business; we want to be leaders in this field."