

Muller Industries Australia



MULLER INDUSTRIES NEWS June 2010

GRANT HALL'S BLOG

ETS – Too much “stick” and not enough “carrot”

Although any strategy that targets reductions in carbon emissions should be applauded, I am not sure that an extremely complex theoretical modeling program such as the proposed ETS is the answer.

After all, in terms of commercial buildings, shouldn't we start by turning the lights off? Drive through any capital city at night, and you have to ask yourself, how serious are we in reducing emissions? Really?

The scary thing for me about the ETS is the complexity of the scheme and the tuning required to deliver the desired outcomes. Get it wrong and the economy could come to a screaming halt, but make them too soft and we will have created a costly paper churning burden without much benefit.

The outcome would likely be the latter, given the soft approach required to sell such a system. Unfortunately the proposed ETS is all “stick” and not enough “carrot” - it's the carrot that's going to provide an incentive for the creation of new, clean technologies in creating sustainable growth.

So here's a different approach - why couldn't energy be treated like water entitlements to farmers?

For example, you get an energy entitlement for your building (let's say its 20% less than last year), and this entitlement is very inexpensive, however use more than your entitlement and you will have to buy it from the free (real) market at market rates of say 5 or 10 times the allocation rate. Now you have an incentive!

This would drive the simple things such as turning the lights off, and at the same time provide reasonable paybacks for new energy efficient technology. This way the incentive is based on actual savings rather than artificial, theoretically constructed markets or schemes. Politically it would be favourable also, as there would actually be a substantial reduction in the underlying cost while rewarding those who value the resource.

An allocation system would be simple to implement (given all of the simple metering technology available today), and the market would allocate financial resources to new technology based on its “real” energy saving performance, as opposed to some theoretical modeling. Unfortunately however, we are frozen with inaction - waiting and waiting.....for something.

Grant Hall
Managing Director

27 Hi Tech Court
Kilsyth VIC, 3137
MELBOURNE, AUSTRALIA
Ph: +61 3 8761 6155
Fax: +61 3 8761 6719
Web: www.mullerindustries.com.au

Muller Industries Australia



MULLER INDUSTRIES NEWS **June 2010**

LEGIONELLA THE EVER-PRESENT DANGER

Legionnaires' disease has hit the newspaper headlines again here in Victoria, following two recent outbreaks, with the latest in Doncaster resulting in the tragic death of one person, and the hospitalization of others.

The source was traced by health officials last week to cooling towers located on commercial buildings at two sites within close proximity to the very busy Westfield Doncaster shopping centre, and also within metres of residential housing. It's a timely reminder that Legionella bacteria will never be eliminated from our environment, and that if anything, the risk is as big as it has ever been.

"The latest tragedy adds to a shocking year for legionnaire's outbreaks in which 40 cases have already been reported, including three deaths - more than double the number of cases recorded last year, in which four people died," said a report in last week's Herald Sun newspaper.

The numbers look bad. It has also been reported that of the 40 cases reported this year, 26 have been traced back to air conditioning systems (read cooling towers). It has prompted Dr John Carnie, Victoria's Chief Health Officer to write to almost 4000 businesses and state authorities to remind them of their obligations in maintaining cooling towers.

It makes you wonder why, as an industry or indeed a nation, we persist with the use of cooling towers when safe alternatives have been available for many years now, including ours at Muller Industries.

Not only is the threat of Legionella ever-present, but the required management and maintenance regime is a costly one, typically involving heavy chemical treatment that is also damaging to the environment when dumped into the sewer. Add to that the potential damage to branding that an outbreak of Legionnaires' disease can have, and you've got an ongoing cost and potential cost which is difficult to reconcile against safe alternatives.

At the recent FMI trade show Muller Industries North America attended in Las Vegas, our team heard many times that "we don't have Legionnaires' disease here", when the truth is there are something like 100,000 cases per annum in the United States that largely go unreported as Legionnaires' diseases is, unbelievably, not a notifiable disease there.

Thankfully, the reverse is true in Australia, and is one of the reasons why the disease is so well known here.

27 Hi Tech Court
Kilsyth VIC, 3137
MELBOURNE, AUSTRALIA
Ph: +61 3 8761 6155
Fax: +61 3 8761 6719
Web: www.mullerindustries.com.au

Muller Industries Australia



MULLER INDUSTRIES NEWS June 2010

THE MOST SUCCESSFUL ARBS EVER

ARBS 2010 proved to be a very successful event for the Australian HVAC&R industry, with more than 7500 people attending and a very strong turnout by almost 250 exhibitors building on the success of the industry's past exhibitions.

We would like to thank those of you who took the time to stop by our Muller Industries exhibit. We received a lot of positive feedback, and were delighted to meet with many of you.

We were also very pleased to have won the Refrigeration Product Excellence Award at the inaugural ARBS Awards, held on the Tuesday night of the exhibition. It was a memorable night hosted by George Negus, and offered attendees the chance to mingle in a more relaxed atmosphere.

Most of the Muller Industries team were present at the ARBS Awards dinner which was great, and speaking after the conclusion of the evening, Managing Director Grant Hall said the award was particularly salient given the sustainability focus of the exhibition – and that products which tick all the efficiency boxes, and offer a real alternative to traditional solutions were now being applauded by the industry.

“We firmly believe this is the condenser for the twenty-first century – purpose built and light years ahead of traditional condensers,” said Hall on the night.

A few weeks after ARBS, our North American business also exhibited at the hugely popular FMI Expo for the food industry, and again received plenty of positive feedback on our product range.

End.

27 Hi Tech Court
Kilsyth VIC, 3137
MELBOURNE, AUSTRALIA
Ph: +61 3 8761 6155
Fax: +61 3 8761 6719
Web: www.mullerindustries.com.au