

Taking Control of Budget Certainty in a Growing Business

How International Extrusions, Inc. expertly managed energy costs as they expanded to meet demand



Company Profile

Since 1965, Michigan-based International Extrusions is the leader in aluminum extrusion, dedicated to providing top-of-the-line quality to customers across America. By adopting a flexible “whatever it takes” approach, they can expertly satisfy the unique needs of their customer base. Their team of experienced engineers and technical experts work with customers to design and deliver a flawless final product at a highly competitive price.

The Challenge

In order to deliver top quality at a competitive price, streamlining operating costs is a necessity, and as an industrial manufacturer, International Extrusions consumes a large volume of energy every day. They operate 24 hours a day and need their equipment to run smoothly at all times; interruptions can be a problem.

In 2016, International Extrusions’ demand was increasing substantially and they needed to be able to enhance production, even though their equipment was running around the clock already. They purchased additional aluminum

extrusion machinery to keep up with their orders, and needed the local utility to run larger gas lines to their plant in order to supply their equipment. The utility construction costs for the new lines would be more than \$100,000. The biggest challenge was coordinating the installation with the new utility gas lines as soon as the machines were built into the factory—production couldn’t begin without it. The purchase, installation and utility connection added up to a significant upfront cost for the business to expand, and in order to find the right budget solution to successfully implement the new machinery, they needed a way to expertly manage costs.

“Being a long-time customer, Constellation is more than a typical energy supplier...they are truly one of our business allies. As a team, we either sink or swim, together.”

—George Gazepis, Chief Financial Officer,
International Extrusions, Inc.

(over)



Constellation®

The Solution

Constellation is able to provide a variety of unique opportunities to different regions across the country. In Michigan, Constellation has an exclusive easement contract with DTE Gas Company, and customers on Constellation's gas and distribution service may be eligible to have up to \$100,000 of construction costs (expansion allowance) to be waived by DTE if the construction for new service installations increase the customer's gas load. International Extrusions, located within this territory and a member of Constellation's Southeast Michigan Gas Savings program, took advantage of this benefit, reducing the utility construction charge to just \$15,000.

Through their exclusive agreement with DTE Gas Company, Constellation also has the ability to bring Michigan businesses an alternative pricing model for their natural gas delivery needs, as well as offer discounts. This has allowed the International Extrusions team to reallocate dollars they were previously spending on energy supply to the needs of the core business instead.

"Working with the Constellation team has helped us layer in prices for the future, which helps us reduce our risk and protects our budget," stated Gazepis. He also remarked, "Constellation helps us navigate the market when it comes to chasing and managing energy costs for our facility."

Highlights

- As a result of a unique agreement Constellation has with DTE Gas Company, International Extrusions was able to take advantage of the opportunity for up to \$100,000 to be waived for new service installations construction costs.
- Through the Southeast Michigan Gas Savings program, they have also been able to realize savings on their monthly gas distribution bill.
- By working with Constellation, International Extrusions relies on a team of experts to manage their gas supply and provide real solutions that directly benefit their business.

Why Constellation

International Extrusions has worked with Constellation for over 15 years and continues to trust the team to provide energy solutions that meet the needs of their growing and changing business. As they added more equipment, their savings of \$100,000 on the construction costs to run a new, larger gas line from the main city utility line to their plant was an incredible win for their business.

Gazepis chose Constellation in part because "the Constellation team has proven to have the knowledge and skill to help our company control our energy costs. We can talk to Constellation when we have any energy-related question and we know they will help us become educated and informed on what energy solutions are out there that could help our company."

Constellation is a leading competitive retail and wholesale supplier of power, natural gas and energy products and services across the continental United States. Constellation's family of retail businesses serves residential, public sector and business customers, including more than three fourths of the Fortune 100. Learn more at www.constellation.com.

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