

Power Factor and the Demand Tariff

Improve your Power Factor and save

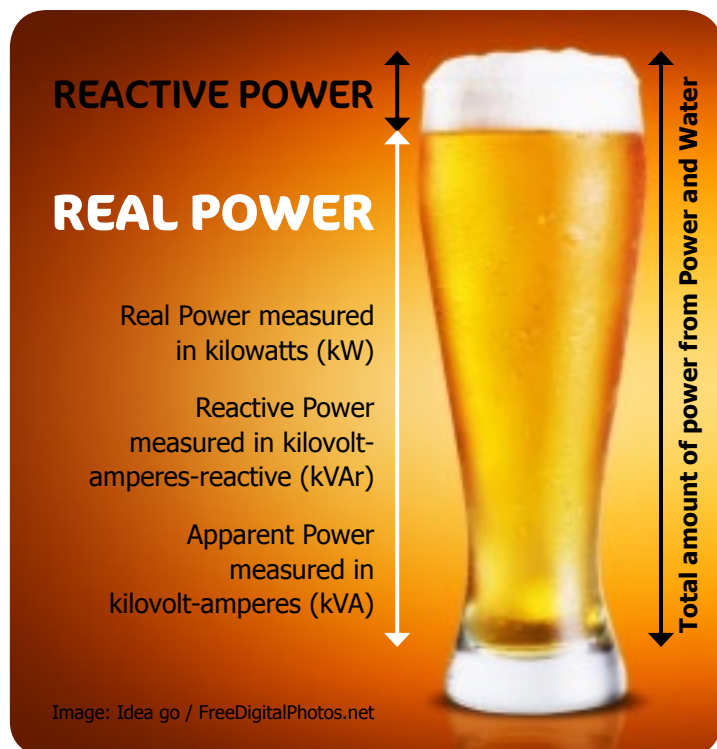
What does Power Factor mean?

Power Factor is a figure between zero and one that shows how efficient your business's power consumption is. It shows us:

- How much power is used to actually achieve results like heat, light or motion – this is called 'Real Power'.
- How much power is used to maintain the electromagnetic fields of equipment such as air conditioners, motors, air compressors and welders – this is called 'Reactive Power'.

Real Power plus Reactive Power equals the total amount of power we supply to you – this is called 'Apparent Power'.

If you imagine Apparent Power as being a glass of beer, the Real Power is the liquid and the Reactive Power is the head. Power Factor measures the ratio of Real Power to Apparent Power (or the proportion of liquid in the glass). The higher the Power Factor (or the more liquid) the better.



How can I improve my Power Factor?

The simplest way to improve the Power Factor is to install a Power Factor correction capacitor. Basically, this will provide you with your own Reactive Power and reduce the total amount of power you draw from Power and Water's supply.

What are the benefits?

Installing a Power Factor correction capacitor has many benefits for you as a customer, for Power and Water as a supplier and for the environment. They include:

- Reducing your businesses kVA demand tariff, leading to reduced customer costs
- Improving the efficiency of the electricity system, leading to savings on future capital works investments
- Prolonging the life of motorised equipment
- Protecting the environment by reducing emissions and making better use of the power we supply you
- Improving voltage to your premises.

How much will it cost?

The cost of installing a Power Factor correction capacitor varies depending on the individual needs of each site. If your business uses a kVA demand tariff, you can recover the installation cost by lowering your demand (kVA).

How do I find out more?

Contact Power and Water on 1800 245 092.

For Major Customers call your Corporate Account Manager.

Visit powerwater.com.au for more information.