



## Cos Phi expertise helps small dairy food processing plant improve electrical systems efficiency and achieve utility savings to pay for it.

**Location:**  
Central Ontario

**Segment:**  
Dairy Processing

**Challenge:**  
Enhance electrical use to help eliminate power factor penalties and generate utility savings.

**Solution:**  
Expert electrical system analysis leading to the application of a customized power factor correction system.

**Results:**  
Increase electrical system efficiency and annual utility penalties reduce by more than \$8,990.00\*, enabling full return on investment in 13.1 months

\*due to demand and rate increases after correction was installed double the forecasted potential savings were realized.

### Background

Poor power usage results in low power factor. Certain industries such as the dairy industry are typically known to have low power factor.

Power factor is the ratio of working power (kW) to apparent power (kVA). It measures how effectively electrical power is being used. A high power factor signals efficient use, while a low power factor indicates poor use. Utilities constantly track this metric and often penalize companies with low power factor as an incentive to implement solutions that lead to more effective energy use - which results in lessened demand on the utility.

In this case, the local utility charged a penalty to a dairy processing plant when power factor dropped below 0.9. As a result, the customer was subjected to a monthly penalty due to poor power factor.

### Challenge

Operational load at the commercial printing facility varied significantly throughout the day leading to vast fluctuation in the demand placed on the electrical equipment.

The power factor of the electrical system averaged 0.75 which was well below the 0.9 utility threshold at which point the utility penalizes its demand customers for poor power factor.

The resulting poor power usage led to the plant suffering demand penalties excess of 4,100.00 due to poor power factor. The penalties represented 16% of the cost of their demand charges.

Management contacted experts in the field to help them improve their power utilization and eliminate the penalties.



### Solution

To assist in developing a solution, the facility sought out the expertise of Cos Phi, a power factor and power quality correction company based in Hensall Ontario. They were able to facilitate in the development of an effective customized solution.

The team reviewed the facility's loads, historical data, and monthly utility bills. After the review the team developed a power factor correction capacitor bank solution that would raise the power factor to acceptable utility levels. Additional calculations were performed to specifically avoid harmonic resonance which could interfere with the reliable operation of the facilities equipment.

This led to Cos Phi recommending a custom de-tuned (harmonically filtered), automatically switched, low voltage power factor correction bank. This bank would switch on correction when needed.

The automatic PFC capacitor bank system was designed so that it will automatically switch capacitors in and out of the electrical system as needed in order to maintain a pre-determined level of power factor correction. Additionally this PFC bank has an intelligent controller which monitors system kVAR, Voltage, Amps and harmonics.

### Results

After applying the Cos Phi solution, which was also manufactured by Cos Phi, the plant increased its average power factor level to a point avoiding utility penalties. The new system increased the average power factor from an average 0.75 to .91+ which exceeds the utility .9 threshold for penalties.

Since the PFC bank has been installed the facility has recorded savings on the average of \$640.00 per month on demand charges alone. The return on investment was only 13.1 months. Due to demand and rate increases shortly after the correction was installed actual realized savings were more than double what was forecasted resulting in a quicker ROI than originally forecasted.

An additional benefit to the installation of the power factor correction bank is that it will free up approximately 20-25% of the current kVA load on the transformer thus allowing for additional equipment to be added without upgrading the system. This reduced load will also increase the life expectancy of the transformer. It will also help to reduce CO2 emissions.

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