

SAVINGS EXAMPLE FOR MAJOR L.A. AREA BUILDING

PRE INSTALLATION SITUATION

Power Factor of 84.3%

Penalty charged for low power factor (single month)	\$ 2,741
Line Loss formula related to low power factor (single month)	959
Sales tax on charges	<u>462</u>
Total cost related to low power factor (single month)	\$ 4,162
<i><u>Estimated Annual Cost Related To Low Power Factor</u></i>	<u><u>\$49,944</u></u>

RESULT AFTER POWER FACTOR CORRECTION SYSTEM (for 1 x month)

Current Power Factor of 95%

Penalty charged for low power factor (single month)	\$ 190
Line Loss formula related to low power factor (single month)	66
Sales tax on charges	<u>32</u>
Total cost related to low power factor (single month)	\$ 288
<i><u>Estimated Annual Cost with Power Factor Correction</u></i>	<u><u>\$3,456</u></u>

ESTIMATED ANNUAL SAVINGS **\$46,488**