

**RIDER: Power Factor Correction (PF-1)**

**Applicable Rate Schedules:** RS-1, GS-1, SC-1, IW-1, MC-1, and IS-1 rate schedules.

**Power Factor Correction:**

When voltage and current are not in unity, voltage will lag or lead current. Unity power factor is measured at 100%. Lagging voltage is negatively represented percentage and leading voltage is positively represented percentage. When voltage lags or leads current by more than  $\pm 90\%$ , then BEU can require the customer to take corrective action or be charged for the power quality disturbance.

At the discretion of the Electric Utility Director, customers that habitually have power factors less than 90% can be designated for power factor correction charges. The charges will be adjusted each month for the power factor as follows:

kilo-Volt Ampere Demand Charge (kVA)

The kilo-Volt Ampere Demand Charge shall be based on the peak kilovolt (kVA) recorded during each Billing Period, dependent upon the measured Power Factor during the billing cycle. If reactive energy is unknown, or unmetered, due to a metering malfunction then the kilo-Volt Ampere Demand Charge will be based upon the average kVA used from a similar billing period. When Power Factor is below 90% for a billing period, the kilo-Volt Ampere Demand Charge is \$1.90/kVA.