

● Demand factor =  $\frac{\text{Max demand}}{\text{Connected load}}$

● Affects economics

● Load factor =  $\frac{\text{Average load}}{\text{Max demand}}$

Diversity factor =  $\frac{\sum \text{individual Max demand}}{\text{Maximum demand of group}}$

● Utilization factor =  $\frac{\text{maximum generator demand}}{\text{generator capacity}}$

Plant capacity factor =  $\frac{E}{C \times T}$

$\leftarrow$  energy produced (kWh) in a given period  
 $\leftarrow$  capacity of the plant in kW  
 $\leftarrow$  Total number of hours

Plant use factor =  $\frac{E}{C \times T'}$

$\rightarrow$  Actual number of hours the plant has been in operation

Unit cost =  $\frac{\text{Total cost}}{\text{capacity}}$

input-output relation

Back to page 447, 455

6

$I = a + bL + cL^2 + dL^3$

$\uparrow$  input

$\leftarrow$  output

Efficiency

$$\eta = \frac{L}{I} = \frac{L}{a + bL + cL^2 + dL^3}$$

Heat rate

$$HR = \frac{I}{L} = \frac{a + bL + cL^2 + dL^3}{L}$$

Incremental rate

$$IR = \frac{dI}{dL}$$

Tariff for electrical energy

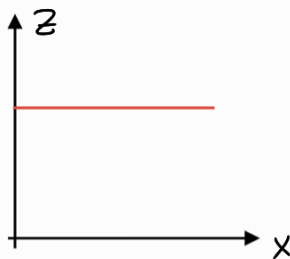
$$Z = ax + by + c$$

$Z$ : Total amount of bill for a period  
 $a$ : Rate per kW of Max demand  
 $x$ : max demand kW  
 $b$ : energy per kW  
 $y$ : energy consumed KWh  
 $c$ : Constant consumer charge

Flat demand rate

$$Z = ax$$

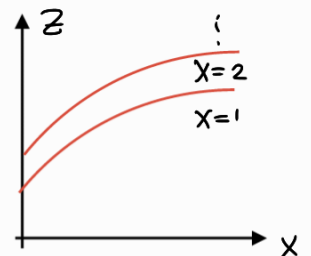
Bill depends on Max demand



used for street lighting

Hopkinson demand rate

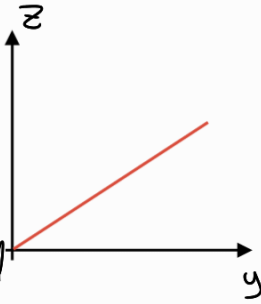
$$Z = a + by$$



used for industrial consumers

Straight meter rate

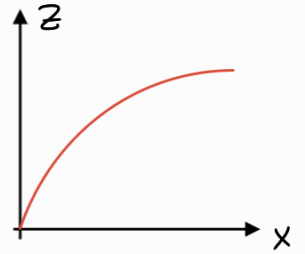
$$z = by$$



For Residential  
and Commercial consumers

Block meter rate

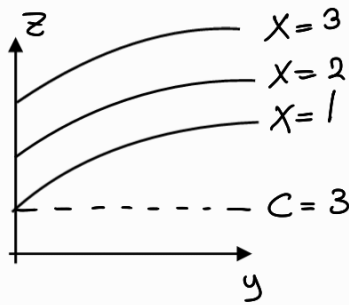
consumption ↑  
charge ↓



used for industrial consumers

Doherty rate

$$z = ax + by + c$$



customer charge is added  
(fuel ↑, wages, ...)

Economical analysis

Interest  
→ Accumulated sum

$$S_n = P + iP = P(1+i)^n$$

↘ interest rate

Compounded

$$S = P \left(1 + \frac{i}{m}\right)^m$$

↘ number of interest times per year

## Amount of Payment

$$A = S \left( \frac{i}{(1+i)^n - 1} \right) = P \left( \frac{i}{1 - (1+i)^{-n}} \right)$$

## Depreciation rate

$$\frac{A}{S} = \frac{i}{(1+i)^n - 1}$$

The original  $P$  invested capital = Depreciation of the plant + Value of plant

## Methods to calculate depreciation rate

S.L.M:  $D = \frac{\text{capital cost} - \text{Salvage value}}{\text{life of equipment}}$

S.F.M:  $A = \left( \frac{i}{(1+i)^n - 1} \right) (P - S)$

U.M:  $D$  of a given year =  $\frac{\text{Capital capability in hrs}}{\text{number of units}} \times \text{Actual hrs}$

A.M: Depreciation =  $\Delta$  annual appraisals at end of each year

# Economic Selection

## Total annual cost method

$$C = C_f + C_o$$

Annual fixed cost  $\leftarrow$   $C_f$        $C_o$   $\rightarrow$  Annual operating cost

$$C_f = R \times P$$

fixed charge rate  $\leftarrow$   $R$        $P$   $\rightarrow$  Principle

$$R = i + \frac{b}{(1+i)^n - 1} + t + s$$

$i$   $\leftarrow$  DR       $b$   $\leftarrow$   $\frac{k}{\text{takes}}$        $s$   $\leftarrow$  insurance

To calculate average load  $\rightarrow$  Draw  $\rightarrow$  Area under/24 curve

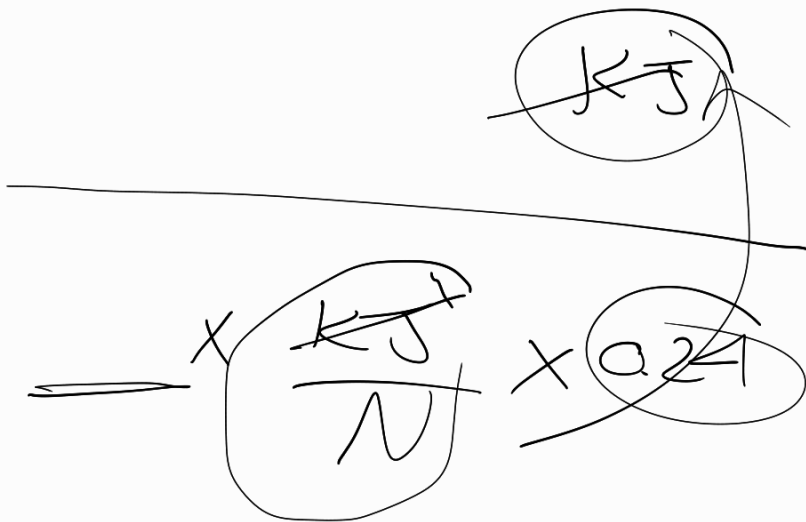
lowest Bill when Load factor = 1

$$\frac{\text{Fixed cost} \leftarrow \$}{\text{Max demand} \uparrow \text{KW}}$$

$$\frac{\text{Varu. Cost} \leftarrow \$}{\text{Energy generated} \uparrow \text{KWh}}$$

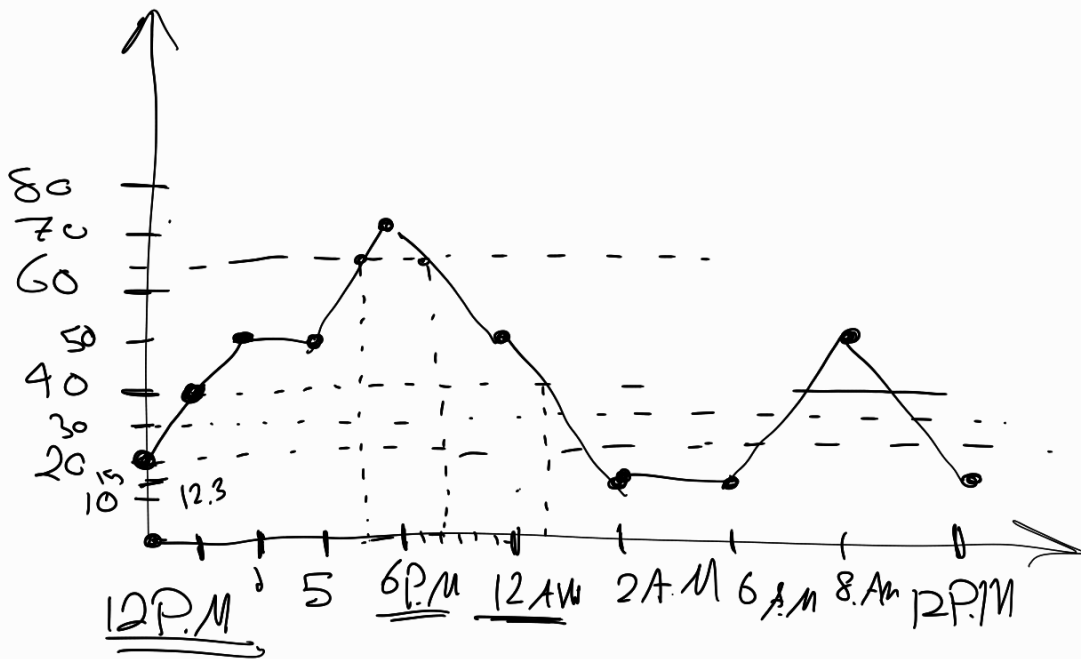
Fixed cost:      Running cost  
 Var. cost →

Key

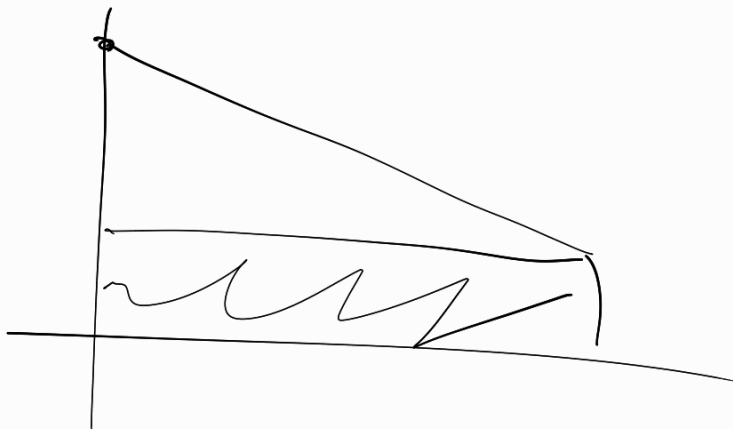
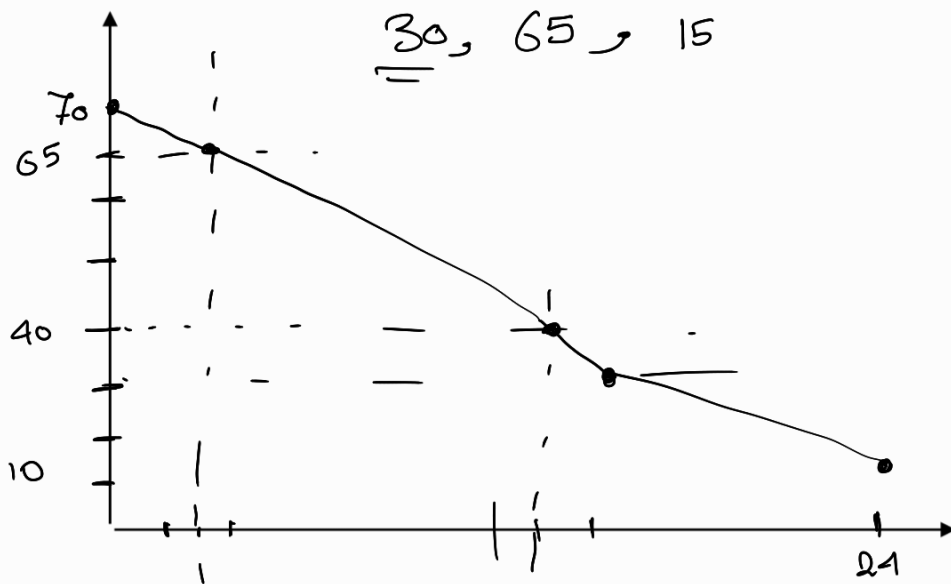


Weight

$$\frac{\$}{\text{KW}}$$



du 1



Total connected

