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Issue 25

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New Office Hours

Watts Energy's office hours have changed:

Mon – Thur 8.00am to 5.00pm
Fri 7.30am to 4.00pm

Melbourne Cup



Watts Energy's office will be closed from 11.00am on Melbourne Cup Day, Tue 4th November 2008 however will be business as usual on Wed 5th November 2008.

Joke of the Month

Jennifer's Wedding day was fast approaching. Nothing could dampen her excitement – not even her parent's nasty divorce. Her mother had found the PERFECT dress to wear and would be the best dressed mother-of-the-bride ever! A week later, Jennifer was horrified to learn that her father's new young wife had bought the exact same dress. Jennifer asked her to exchange it but she refused. 'Absolutely not, I look like a million bucks in this dress and I'm wearing it.' She replied. Jennifer told her mother who graciously said, 'Never mind sweetheart. I'll get another dress. After all, it's your special day.'

A few days later, they went shopping and did find another gorgeous dress. When they stopped for lunch, Jennifer asked her mother, 'Aren't you going to return the other dress? You really don't have another occasion where you could wear it.' Her mother just smiled and replied, 'Of course I do dear. I'm wearing it to the rehearsal dinner the night before the wedding.'

WATTS NEWS

Farewell to Peter Butler of AGL. The Watts Chicks would like to say thank you for all your support, words of wisdom and humour since Watts Energy commenced. We wish for you health, happiness and wealth for the future and know you will be a fantastic asset to the Hope for Children orphanages in Cambodia. You will be greatly missed. Love the Watts Chicks. "You're leaving on a Jet Plane, don't know when you'll be back again".

Office Hours Christmas 2008



Watts Energy's office will be closed from 25 December 2008 to 1 January 2009 and will reopen on Friday 2 January 2009. Several meter runs will be completed on the 29th and 30th of December however our office will remain closed. The remainder of meter runs will be completed from 2 January 2009 onwards. If you have any concerns regarding this or are aware of a Proposed Sale Read for your property, please contact Donna Edwards or Lyn Barclay as soon as possible to discuss.

kVA Network Tariff Development

Many of you would have received recent correspondence from Energex. To assist you with the difference in cost for kVA vs kW for demand, we have included part of the article from our February 2008 newsletter:

Two methods of measuring demand are kW or kVA. kVA is a more accurate measure of a customer's impact on the network. Customers who have the same kW reading but with different power factors (power factor is an indication of the relationship between real and apparent power) have very different impacts on the network.

Power Factor is a measure of how effectively you are using energy and is measured between 0 and 1 (1 being the perfect score). If you are regularly scoring less than 0.9, you have a low Power Factor, in which case you are likely to be paying more for electricity than you need.

Examples of same kW reading but with different power factors

kW max demand	Power Factor	kVA Impact on Network
1 1600	0.7	2286
2 1600	0.8	2000
3 1600	0.9	1778
4 1600	1.0	1600

Example of a large user, increase in costs if power factor is 0.7

Total costs for recorded demand and capacity demand if kVA charged and a power factor of 0.7 is \$28196.00.

Actual costs now \$19737.00. Result is a 42.85% increase on this monthly account.

It is cost effective for the owner to have a power factor of 1. Perhaps investigation into power factor correction units would be a good place to start.

This proposed change could be an advantage for all parties if implemented correctly and all parties educated on new system.

Energex's Correspondence includes:

'All customers have statutory obligations in relation to power factor. In accordance with Section 36 of the Electricity Regulation 2006, ENERGEX may require the customer (by notice in writing) to maintain a power factor at their installation of at least 0.8 lagging, and except by agreement with ENERGEX, not a leading power factor. Customers connected at higher voltage levels (11kV, 33kV, 110kV) are required to maintain a power factor of between 0.9 lagging to unity, depending on the voltage at the point of connection (as set out in Section 5.3.5 of the National Electricity Rules). It is an ENERGEX requirement that customers comply with their statutory obligations in relation to power factor, unless special arrangement are made.'

Emissions Trading Scheme (CPRS)

The Federal Government has released the Green Paper on climate change strategy. The paper outlined design options for a national emissions trading scheme to be known as Carbon Pollution Reduction Scheme (CPRS). The CPRS will be a cap and trade scheme, which requires significant emitters of greenhouse gases to acquire a 'carbon pollution permit' for every tonne of greenhouse gas that they emit. The total number of carbon pollution permits issued by the Federal Government each year will be limited to the total carbon cap for the Australian economy. Over time, the cap will be reduced to a level that prevents further dangerous climate change through a build up of greenhouse gas pollution. Longer term, the Commonwealth Government has indicated a goal to reduce Australia's emissions to 60% below 2000 levels by 2050.

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The second part of the cap and trade scheme is the ability to trade. Permits will be able to be traded and the price will be determined by the market. Companies that can reduce emissions more cheaply than the permit price are likely to do so. They will then be able to sell their excess permits to offset emissions at another source. The scheme will cover around 75% of Australia's emissions and apply to stationary energy, transport, fugitive emissions. Industrial processes and waste. Forestry is to be included, but on an "opt-in" basis. Agriculture will not be included any earlier than 2015, with a final decision to be made in 2013. About 1,000 businesses that emit 25,000 tonnes or more of carbon a year will need to monitor and report their emissions and buy permits.

You can access further information about the Carbon Pollution Reduction Scheme at the Australian Government's Department of Climate Change website at the following URL: www.greenhouse.gov.au/greenpaper