



ABUL KHAIR STEEL PRODUCTS LIMITED

Installation of Capacitor Bank to improve Power Factor

SUMMARY OF THE OPTION

Abul Khair Steel Products Ltd (AKSP) is a private limited company of Bangladesh producing various steel products, such as CR Coil, Galvanized Steel Sheet, Corrugated Iron Sheet, etc.

Out of 4 rolling mills at the plant, for 2 units the power factor was less than 0.8. Due to low power factor the plant was paying a heavy fine to the power supply authority for exceeding demand load. To improve the power factor from 0.8 to 0.98, the plant installed 4 capacitor banks with a high-tension line for two rolling mills of the plant. The capacity of the newly installed capacitor banks was 1.8 MVAR each. Total investment costs for the capacitor banks was US\$ 50,000 (Tk 3 million), annual savings are US\$ 240,000 (Tk 14.4 million) with a payback period of 2.5 months. There are no electricity or greenhouse gas reductions because the power factor does not influence the actual electricity consumption.

KEY WORDS

Iron & Steel, Bangladesh, Electricity, Capacitor bank, power factor

FOR MORE INFORMATION

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