

progressing business

Change, it's easy isn't it?

**Gold Awards for
Business Excellence**

**Alternative Lean and/or Six
Sigma Deployment Strategies**

Reducing your Electricity Costs and Helping the Environment?

Michael Newton, Director, Watt Utilities

Demand Side Management (DSM) What does it mean? DSM is the process of managing electrical load and peak demand both in quantity and in timing of use.

You save money by reducing your peak demand and your total consumption of electricity, better for the bottom line, and the huge upside is it has a positive impact on the environment - less is better.

A report co-authored by Rick Maddox et al¹ reveals some very stark challenges that are faced within the high-rise and accommodation sectors today when tackling this issue. They include:

- the lack of knowledge of the potential benefits;
- lack of information on how to do it;
- perceived cost inhibitors; and
- the lack of incentive. Rather than dwell on barriers, decision makers and those who want to see change need to focus on what can be controlled.

They can:

- Increase management awareness.
- Increase commitment by bodies corporate to investing in

DSM on common services.

- Encourage body corporate or on-site manager to take a leadership role in DSM promotion to individual unit owners.
- Identify benefits for bodies corporate and individual unit owners.
- Increase availability of information on DSM and energy efficiency.
- Identify opportunities resulting from implementation of DSM.

A check list of areas in which DSM initiatives may apply is shown below. A full list is in the report.

Air Conditioning: Establish minimum performance and monitoring standards for centralised plant.

Hot Water Supply: Mandate minimum performance criteria for new buildings.

Lighting: Reduce operating times in car parks and stairwells through intelligent controls.

APPLIANCES AND GENERAL PLANT

Swimming Pool and Spas.

Load Switching: The building manager needs to understand the link between the operation of the building and electricity supply charges (and peak demand charges).

Self Generation: Be aware of and establish minimum requirements regarding capability of standby generators to be used at times of high demand.

Power Factor Correction: kVA demand tariffs for network charges may be introduced in Queensland soon, and sites with low power factor can face higher charges. These tariffs already exist in other States.

REFERENCE

1. Maddox, Rick; Flynn, Grant and Watts, Keith, *Barriers to Implementing Demand Side Management in Gold Coast Accommodation Facilities*, <http://www.ariaps.com.au/portfolio/demand-side-management/>
[Editor's Note: AOQ-QLD® provides training in all States in *Energy Conservation Auditing* (refer www.aq.org.au/EnergyTrain.htm)

More information request *Reducing Costs* to progbus@pbinsitute.net