



UTILACOR
Energy Management Systems

Infrastructure Construction

Voltage Conversion - Warehousing

Our client purchased an aging and spacious facility in Melbourne that had previously been used for the manufacture of automotive components and as a result had extensive power capacity – far more than our client would ever require.

While this could be seen as a luxury, the site in question had previously taken supply at high voltage – 22,000 Volts – and owned each of the five transformers on site.

The prior owners operated with demands in excess of 2000kW – our client needed 250kW, and the minimum chargeable demand for a HV site is 1000kW. The annual difference in costs from 250kW on LV supply and 1000kW on HV supply exceeded \$65,000.

Utilacor initiated a project to convert the site back from HV Supply to LV Supply, which required new power line installations, the retirement of existing assets and the on-sale of those assets that had value.

Utilacor negotiated with the local Network to grant a 6 month window whereby LV costs at 250kW would be charged while the conversion took place. However the network also advised that its resources could not undertake the project within that timeframe.

Utilacor sought competitive tenders and appointed power line design and construction resources to bring the project to fruition. The project was completed within the given window and at \$20,000 under budget.

The “valuable” assets retired are currently in the process of being sold, with an expected value of around \$20,000.

A similar project is underway at another site acquired by this client that was once a major food processing facility, and has now been converted to Warehousing. Similar cost benefits apply.

Result:

Benefit derived from 6 Month Moratorium period: **\$33,800.**

Benefit derived from moving to Low Voltage **\$67,000 per annum**

Capital expenditure to make the change **\$99,000**

Cost recovery from sale of Assets **\$20,000.**

Resultant ROI: **1.2 years**

