

Power Factor: The Hidden Charges in Manufacturers' Electric Bills

written by Lauri Moon | June 23, 2026



**ENERGY &
MANUFACTURING**
— in Appalachia —

Every month, electric utility bills are a pint of Yuengling - liquid beer (Real Power) and foam (Reactive Power). While Reactive Power (foam) is necessary for long-distance, high-voltage transmission and distribution grid stability, it is a wasted cost once inside a manufacturer's electrical meter. This cost is 3-12% of all Manufacturers' electrical bills...every month.

Power Factor is a measure of electrical efficiency (0-1.0 ratio of Total Power), its two components being Real Power and Reactive Power. Power Factor is not well understood by most companies, so it is rarely measured, tracked, and managed as a controllable cost. However, due to rising electrical rates, Power Factor improvement projects in now have paybacks in under a year.

This webinar will address strategies to achieve the perfect Yuengling pour. It is recommended that you have a recent utility bill in front of you for this webinar - you will not be asked to share but to participate in the exercise.

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Speakers



Karl Shaw, Chief Procurement Officer·Ampica

Ampica brings together elite procurement specialists, efficiency engineers, and infrastructure experts—purpose-built to help businesses command their energy future and unlock amplified profit. Ampica provides solutions to drive energy spend reduction—energy contracts, full-spectrum efficiency projects, capital-free solutions, and more.



David Huber, Energy Advisor·I2R Energy

I2R Energy is an energy consultancy delivering energy spend reduction solutions for manufacturers. I2R is driven by a technology focus to deliver solutions based on provider-agnostic, best-in-class products. Beyond technology and engineering, I2R provides navigation for the complex funding landscape (Fed, State, Utility, etc.) for clients.