

Glossary of Cost Terms

Busbar Cost: The cost per kilowatt hour of producing electricity; that includes the cost of capital, debt service, maintenance and fuel. The power plant bus or busbar, is that point beyond the generator but prior to voltage transformation point in the plant switchyard.

Baseload Capacity: The power output of a power plant that can be continuously produced.

Capacity: The load that a power generation unit or other electrical apparatus or heating unit is rated by the manufacture to be able to meet or supply. The gross capacity is the full-load continuous rating of a generator or other electric equipment under specified conditions as designated by the manufacturer usually indicated on a nameplate attached to the equipment.

Capacity factor: The amount of energy a facility generates in one year divided by the total amount it could generate if it ran at full capacity. A capacity factor of one implies that the system ran at full capacity the entire year.

Power: The rate at which energy is supplied or transferred or equivalently, the rate at which work is done, dW/dt. Electric power utilized in a circuit is a product of the potential drop and the current flowing in it.

Power Factor: The ratio of actual power being used in a circuit, expressed in watts or kilowatts, to the power that is apparently being drawn from a power source, expressed in volt-amperes or kilovolt-amperes.

Peak Load: The maximum load, or usage of electrical power occurring in a given period of time, typically a day.

Postage stamp rate: also known as the rolled in rate because all transmission facility costs of the network are rolled in to the total cost before dividing that total cost by the units transmitted. The rate is an "average rate" because the total costs of the region's transmission network are divided by the total units transmitted, resulting in an average cost per unit.

Peak Power: Power generated that operates at a very low capacity factor, generally used to meet short-lived and variable high demand periods.