Generation Cost Assumptions of Natural Gas-Fueled Combined Heat and Power (CHP)

[with and without chillers, difference noted in table]

	Source	Lead Time (years)	Total Overnight Cost (REAL 2006 $/kW)	Variable Operation & Maintenance Costs (REAL $2006 /MWh)	Fixed Operation & Maintenance Costs (REAL $2006/kW)	Heat Rate nth-of-a-kind (Btu/kWhr) (HHV)	Recoverable Heat Rate (Btu/kHhr)	Capacity Factor
2004	KEMA, *New Jersey Energy Efficiency and Distributed Generation Market Assessment (all technologies noted below are w/out chillers)*							
	Gas Engine (0-0.5 MW)		$1,451	$18.14	$127.15	12,126	5,683	80%
	Gas Engine (0.5-1 MW)		$1,041	$11.74	$82.27	11,050	4,323	80%
	Gas Turbine (1-5 MW)		$1,147	$6.40	$44.88	12,366	5,622	80%
	Gas Turbine (5-20 MW)		$1,030	$6.40	$44.88	11,750	5,282	80%
	Gas Turbine (>20 MW)		$747	$4.27	$33.66	9,220	3,779	80%
2007	Based on KEMA, *New Jersey Energy Efficiency and Distributed Generation Market Assessment (Joe Sullivan)*							
	Existing CHP facilities (assumed to be without chillers) (3-25 MW)		$1,601			10,000	7,000	
	New CHP facilities with chillers (3-25 MW)		$2,134			10,000	7,000	

** Costs adjusted for inflation using a CPI calculator, available at http://www.bls.gov/cpi/*