

Costs	Economics Definition	Generator Definition
Short Term Marginal	The change in production costs resulting from the addition of one more MWh.	Cost of Consumables.
Capital	Durable parts, parts that are not consumed in the making of MW	Cost to upgrade existing components or replace an existing unit of property.
Variable	Costs that are correlated with MWh	Costs that vary in direct proportion to the MWs generated.
Fixed	Costs incurred without any production of output	Plant Costs that are independent of unit operation.
Expense	Any cost of doing business	Labor and materials budgeted for power plant operation an maintenance on an annual basis.
Maintenance	The cost of keeping a generator in working condition. Does not include uprates, enhancements or rebuilding	Labor and materials expended on the maintenance of plant equipment to sustain reliable operations
Operational Expense	Expenses related solely to the generation of electricity. Highly correlated with run hours	Labor and materials expended by operations staff.
Short Term	Long enough to increase production in MWh, but not long enough to uprate or improve a generator.	Annual or less.
Labor	All staff and contractors	Power plant staff salary and benefits.