

Note: Average production cost or (Full load Average Cost) is calculated as follows;

$$F_{ave}(i) = F_c(i) \times \left[\text{Input/output char.} \right] \Big|_{P=P_{max}(i)} + Nl(i)$$

where;

$$F_c(i) = \text{Fuel Cost of unit } (i)$$

$$Nl(i) = \text{No load cost of unit } (i)$$

$$P_{max}(i) = \text{max output of unit } (i)$$

So; if $H_1 = 510 + 7.2 P_1 + 0.00142 P_1^2$
 $F_1 = 1.1 \text{ \$/MBtu}$

$$\text{EXAMPLE 5D } F_{ave}(1) = 9.79 = \frac{1.1 [510 + 7.2(600) + 0.00142(600)^2] + 0}{600}$$

Construct a priority list for the units of Example 5A. (Use the same fuel costs as in Example 5A.) First, the full-load average production cost will be calculated:

$$H_3 = 78 + 7.97 P_3 + 0.00482 P_3^2$$

$$F_3 = 1.2 \text{ \$/MBtu}$$

Unit	Full Load Average Production Cost (R/MWh)
1	9.79
2	9.48 9.401
3	11.188

$$F_{ave}(3) = 11.188 = \frac{1.2 [78 + 7.97(200) + 0.00482(200)^2] + 0}{200}$$

A strict priority order for these units, based on the average production cost, would order them as follows:

$$F_{ave}(2) = 9.401 = \frac{1.0 [310 + 7.85(400) + 0.00194(400)^2] + 0}{400}$$

Unit	R/MWh	Min MW	Max MW
2	9.48 9.401	100	400
1	9.79	150	600
3	11.188	50	200