



**{In Archive} Cost Analysis**

**John King** to: palmeag

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From: John King/R1/USEPA/US  
To: Allan G. Palmer  
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Allan,

PSNH contends that condenser inefficiencies caused by closed-cycle cooling would decrease Unit 1 efficiency by 0.16 MW and Unit 2 by 2.82 MW. A "market power value" of \$72/MW is provided, but not defined. I assume it is Merrimack Station revenue per MW generated.

$(0.16 \text{ MW} + 2.28 \text{ MW}) \times (24 \text{ hr/day}) \times (8760 \text{ hr/yr}) \times (\$72/\text{MW}) = \$1,879,500$  ... which is the value published on page 44. The \$72/MW must actually be \$72/MW.

PSNH further states that the values of 0.16 MW and 2.82 MW are "annualized." Does "annualized" mean these values have taken into account all operating parameters; such as, the Units do not operate 8760 hours per year?

Let's talk about this analysis,

John