# *[Unit/Company]* Fuel Cost Policy: Hydro

*General Instructions:*

*This template covers a range of energy cost calculation methods for hydro resources. Modifications to this template, including removal of provisions that do not apply, can be made in order to meet specific needs.*

*The template contains text in italics and/or brackets that should be completed or that provide clarifying instructions.*

*All costs included in this template must be short run marginal costs. The short run marginal cost of energy is the incremental cost of producing one more MWh of energy.*

*Before submitting the final version of this document, please remove any of the instructions in brackets and the “draft” watermark.*

# Fuel Cost Development

There are no fuel costs for hydro turbines.

# Emissions

There are no emissions costs for hydro turbines.

# Pumped Storage Costs

[*Describe the method for calculating pumping costs if applicable. Provide the pumping efficiency, method for calculating it, and frequency of updating.]*

# Start Costs

Hydroelectric turbines do not have start costs. The start cost for the unit is zero.

# No Load Costs

Hydroelectric turbines do not have no load costs. The cost based no load for the unit is zero.

# Cost-Based Offer Numerical Example

*[Please provide spreadsheet with numerical example for cost-based offer. Specify date for current units.]*