Table 22. Levelized costs of new conventional and renewable generation in two cases, 2010 (2003 cents per kilowatthour)

Generation source	Reference case	PTC extension case
Combined cycle	4.7	4.5
Combustion turbine	7.0	6.8
Coal	4.3	4.3
Geothermal	4.4	3.6
Photovoltaic	21.0	21.0
Solar thermal	12.6	12.6
Open-loop biomass	5.1	4.5
Wind	4.8	2.9
Avoided cost of geothermal or biomass	4.4	4.0
Avoided cost of wind	4.3	4.0

AEO2005 National Energy Modeling System, runs AEO2005.D102004A and PTCEXT05.D102904A. Notes: Cost " at the busbar," does not include transmission investment or additional costs to accommodate intermittent renewable re-sources. Costs reflect national averages for best available regional resources; comparative costs within specific regions may differ significantly. Fuel costs are slightly reduced with the PTC, reflecting reduced demand from the electric power sector. It is assumed that PV will continue to take advantage of the higher-value investment tax credit (ITC) rather than the PTC. Avoided costs represent estimates of the incremental cost of fuel and capacity displaced by a unit of the specified resource and more accurately reflect their as- dispatched energy value. They do not reflect system reliability costs, nor do they necessarily indicate the lowest cost alternative for meeting system energy and capacity needs.