

	PP1	PP2
Capital costs	\$1,000 per year of construction	
Construction time	2 years	4 years
Operating costs (fuel)	\$500 per year	\$100 per year
Revenues	\$1,000 per year	
Investment horizon	12 years (2020-2032)	

Tasks:

- Fill in the costs and revenues for the plant 1 (sheet “PP1”) and plant 2 (sheet “PP2”)
- Calculate NPV and IRR for both plants, using discount rate 10% (sheet “Results”)
- Mark optimal investment (PP1 or PP2) using the “IF” function
- Find the discount rate level at which both plants have the same NPV using the goal seek function