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| --- | --- | --- |
|  | 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