

CH402 CHEMICAL ENGINEERING PROCESS DESIGN

Lesson 17: Interest, Taxes, and Fixed Charges

Read: Pages 279-292

Problems: 7-1, 7-2, 7-4, 7-5 (Problem Set 9)

Objectives (Cadets will be able to):

1. Calculate profitability based on rate of production.
2. Calculate present and future time value of cash flows.
3. Perform interest calculations using interest factors.

Definitions:

Fixed costs, variable costs, gross earnings, rate of production, discrete single-payment future-worth factors (DSPFWF), discrete single-payment present-worth factors (DSPPWF).

Cadet Notes: