

## CH402 CHEMICAL ENGINEERING PROCESS DESIGN

### **Lesson 16:** Revenue, Production Cost, and Cash Flow

**Read:** Pages 258-278

**Problems:** 6-8, 6-9, 6-10 (Problem Set 8)

#### **Objectives (Cadets will be able to):**

1. Estimate capital costs using scaling factors.
2. Estimate capital costs based on turnover ratio.

#### **Definitions:**

Grass-roots plant, battery limits, detailed item estimate, unit cost method, method of power factors, plant capacity ratio, cost per unit capacity, turnover ratio.

#### **Cadet Notes:**