Table 3.2 CASH FLOW OF A WASTE-TO-ENERGY PLANT IN SANTIAGO, CHILE

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Cash Inflows															
Energy Sold		$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800
Municipal Tranfers		$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000
Total Income **(2+3)**		$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800
Cash Outflows															
Investment															
Land	($887,923)														
Capital Investment	($78,000,000)														
Operational Costs															
Labor		($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)
Material Supplies		($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)
Ash disposal		($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)
Total Expenditures **(4+5+6+7+8+9+10)**	($78,887,923)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)
Pre Tax Cash Flow **(3-11)**	($78,887,923)	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000
Depreciation		($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)
Pre Tax Profits **(12-13)**		$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000
Tax (35%)		($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)
After Tax Cash Flow **(12-15)**		$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500
Present Value	at 7%	$92,354,289													
	at 8.5%	$79,983,385													
Net Present Value at 7% (17-5-6)	**$13,466,366**														
Discount rate	7.0%	8.5%													
Net Present Value at 8.5% (18-5-6)	**$1,095,462**														
Accumulated Present Value		$6,955,607	$13,456,175	$19,531,472	$25,209,320	$30,515,719	$35,474,971	$40,109,786	$44,441,389	$48,489,616	$52,273,006	$55,808,884	$59,113,443	$62,201,816	$65,088,145
Discounted Payback Time	**21 years**	$6,955,607	$13,456,175	$19,531,472	$25,209,320	$30,515,719	$35,474,971	$40,109,786	$44,441,389	$48,489,616	$52,273,006	$55,808,884	$59,113,443	$62,201,816	$65,088,145

ASSUMPTIONS AND VARIABLES

Municipal Tranfers	335000	$4,020,000
US$ per ton	10	
Tons per month	33500	
Labor costs	Per Month	Annual
Management	-23100	-$277,200
Workers	-27675	-$332,100
Total	-50775	-$609,300
Ash disposal		
rate	0.03	
Ash tons to be disposed	1005	
Cost of diposal (US$/tob)	25	
Total Cost of Ash Disposal	$25,125	$301,500
Tax on Remited Profits	35.00%	
Exchange Rate (CH$/US$)	650	
	CH$	US$
Land	577150000	$887,923
Cost per m2	5950	
m2	97000	
Plant		$78,000,000

15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800	$8,200,800
$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000	$4,020,000
$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800	$12,220,800
($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)	($609,300)
($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)	($1,260,000)
($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)	($301,500)
($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)	($2,170,800)
$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000	$10,050,000
($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)	($2,600,000)
$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000	$7,450,000
($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)	($2,607,500)
$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500	$7,442,500
$67,785,650	$70,306,682	$72,662,787	$74,864,754	$76,922,668	$78,845,951	$80,643,412	$82,323,282	$83,893,255	$85,360,518	$86,731,793	$88,013,358	$89,211,082	$90,330,450	$91,376,589	$92,354,289
$67,785,650	$70,306,682	$72,662,787	$74,864,754	$76,922,668	$78,845,951	$80,643,412									