

ORIGINAL COST TRENDING FACTORS 2016

The purpose of the trending factor is to adjust previously established cost (original or historical) to a current date for estimating **REPLACEMENT COST NEW** values. The original cost trending factors represent a composite average of all equipment costs.

The following cost trending factors may be used to estimate the current replacement cost new of an item when the original cost and acquisition date is known. The purchase price and details of the purchase should be verified to establish the original cost. If the reliability of the original cost is doubtful, multiplying by a cost trending factor will not improve the reliability.

Calculation process:

Original cost of the item should be cost new or, in the case of used items, cost at the time of acquisition. Enter the factor for the appropriate year and multiply times the original cost to estimate replacement cost new.

Due to constant changes in value of desk top computers, printers, fax machines, adding machines, calculators, copiers, and other office electronic equipment, no trending factor required on original

With the electric wind generation construction costs decreasing over the past years, production moving from overseas to domestic, and technological advances in the industry, no trending factor required for electric wind generation.

Year Acquired	Factor	Year Acquired	Factor
2015	1.0000	2000	1.4671
2014	1.0076	1999	1.4937
2013	1.0206	1998	1.4982
2012	1.0290	1997	1.5112
2011	1.0583	1996	1.5355
2010	1.0915	1995	1.5590
2009	1.0832	1994	1.6150
2008	1.1146	1993	1.6605
2007	1.1584	1992	1.6927
2006	1.2215	1991	1.7133
2005	1.2783	Prior to	1.7477
2004	1.3746	1991	
2003	1.4221		
2002	1.4462		
2001	1.4549		