

Escalation\_Rates\_PHG\_2june09.doc

Here are US escalation rates for construction (Turner Building Index)

<http://www.turnerconstruction.com>

and for non-construction from

DOE FY 2008 Field Budget Call Attachment D Page D-4 (may be a little out of date)

[http://www.ilcpcb.fnal.gov/DOE\\_INFLATION\\_FY08.pdf](http://www.ilcpcb.fnal.gov/DOE_INFLATION_FY08.pdf)

finally, I don't understand what is or is not included in the DOE CFO 2009 Scientific Laboratory Rates

This is Market Baskets with Industry Specific Escalation

Scientific Laboratories =  $1/3 * BCI (?) + 1/3 * CCI(?) + 1/3 * CEPCI$

Where CEPCI = Chemical Engineering Plant Cost Index

BCI and CCI are proprietary indices of HIS Global Insight

<http://www.cfo.doe.gov/cf70/escalation.pdf> <= use these "market basket" indices for DOE projects

There is a slightly different version (older?) on Dan Lehman's website:

<http://www.science.doe.gov/opa/> check the links at left...Project Management/Escalation Rates

Year-by-Year	Turner Bldg Construction Actual	(old DOE table) non-Construction projection	current "Market Basket" DOE CFO Projection Scientific Laboraoty
2006 => 2007	10.6%	3.23%	
2007 => 2008	7.7%	2.29%	
2008 => 2009	6.3%	2.31%	5.0%
2009 => 2010		2.32%	4.7%
2010 => 2011		2.32%	3.4%
2011 => 2012		2.32%	2.7%

So, if Tomski has a construction estimate for 2009, we want to compare it to the RDR estimate in 2007 \$, so the multiplicative (de-escalation) factor for US construction is  $1/(1.063*1.077) = 1/1.145 = 0.873$   
Is Tom using the 2009 Means vs. the 2006 (inflated) Means?

Conversely, escalating the Americas estimate from 2007 to 2000 using the above 7.7%, 6.3%, 2.29%, 2.31% for CFS = 38% gives an 8.6% increase in the Americas estimate for the ILC from RDR => 2009 \$