**BA 353: ICE 2 Answer Key**

These are just the answers. If you need help on techniques/Excel, see me or a classmate.

**ICE 2**

1a) 2 Kegs at $267

1b) 3 Kegs at $338

1c) 2 Kegs at $185

2a) 8 Instructors at $999

2b) EVPI = $134, not worth $350.

3a) Answer varies, likely > possibly > slight and all add up to 100%.

3b) Answer varies depending on 3a.

3c) Net profits include salvage value.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 500 | 750 | 1000 | EV |
| 400 | 6000 | 6000 | 6000 | 6000 |
| 600 | 6700 | 9000 | 9000 | Varies |
| 800 | 5100 | 10850 | 12000 |
| 1000 | 3500 | 9250 | 15000 |
| Probs | Varies | | |  |