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Generated and Work Cost Values in Work Plan Cost Analysis

2019-03-20 - Gershwin Marks - [Comments \(0\)](#) - [General](#)

Recently the question was asked:

What is the definition of "Generated" cost and "Work Cost" values on the Work Plan Cost Analysis tab for Stop Gap Repair and Repair work activities?

The answer provided by Dr. Mike Grussing:

"Generated" is the estimated monetary benefit of a work activity. Its calculated based on the extended service life resulting from the repair and the amortized value of the component. So if I have a component that is expected to last 10 years and costs \$10,000 to replace, and a repair at some point in its life is expected to result in an additional 2 years of service, the benefit or returned generated would be $\$10,000/10 \times 2 \text{ years} = \$2,000$. The work cost, by comparison, is just the estimated cost of performing that work activity.