Market Conditions Report

9 Things to Consider Before Building Your Data Center

Looking for low-cost power? Want to better understand the ups and downs of copper pricing? The following Market Conditions Report summarizes current cost trends in nine key areas to consider when thinking about your next project: Power, Labor, Nonresidential and Domestic Construction Spending, Copper, Aluminum, Steel, Concrete and Oil.

1. Cost of Power
   US cents per kilowatt hour

   Cost of Power Decrease
   Since Q1 2016, the average cost of industrial power has slightly decreased across the US.

   New England
   Middle Atlantic
   East North Central
   West North Central
   South Atlantic
   East South Central
   West South Central
   Mountain
   Pacific

2. Mechanical, Electrical, Plumbing Labor Rates
   MEP journeyman base labor and fringe total rates per hour

   MEP Labor Rates
   For the remainder of 2016, the majority of unions are reporting a promising outlook for workers. The Pacific North West is experiencing a labor shortage, therefore premiums may apply.

3. Nonresidential Construction Spending
   Projected variance by region, 2014-2015

   New England
   Middle Atlantic
   East North Central
   West North Central
   South Atlantic
   East South Central
   West South Central
   Mountain
   Pacific

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1. [http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_5_6_a]
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4. Domestic Construction Spending
Commercial and industrial construction sectors, estimated in billions

5. Copper Pricing
International cost per pound

6. Aluminum Pricing
International cost per pound

7. Steel Pricing
Prefab structural sections and beams, US price per ton

8. Concrete Pricing
US Producer Price Index

9. Oil Pricing
US price per barrel

Meet the Mission Critical Leadership Team

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DPR Construction’s team of mission critical operatives can help steer the process — taking a project from site selection and analysis to single point-of-failure identification during start-up and commissioning. Specializing in highly complex and sustainable projects, DPR ranks among the top data center contractors in the nation with seasoned teams of estimators, MEP specialists, and program, design and construction managers and engineers working around the world.

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Copper
Since last years sharp fall, the price of copper has consolidated with fluctuations between $2.00 - $2.30 for 2016. The outlook for the remainder of 2016 is that copper pricing will remain fairly stagnant with no sharp increase or decrease.

Aluminum
Similar to copper, aluminum pricing has consolidated over the past year and remained within a 10c high / low range of 0.65c - 0.75c through 2016. It is anticipated that the pricing will remain stagnant through the end of 2016.

Steel
Over the past year and for 2016 thus far, steel pricing has continued to fall due to the large amounts of foreign import reserves. Pricing is anticipated to remain consolidated with the possibility of a steady increase due to the new Chinese import tax which was approved in May 2016.

Concrete
Across the U.S., the price per cubic yard (CY) of ready mix concrete has steadily and consistently increased over the last year. In 2016, it is expected that the price will increase at the same rate or faster.

Oil
Since Q1 2016, the price of oil per barrel has increased. Over the past year, oil pricing has fluctuated between $30 - $50 per barrel. Expectations for the remainder of 2016 are that oil pricing will remain fairly consolidated.