

## **ESMCP TERMS AND CONDITIONS – USER SERVICES**

### **SCHEDULE 15**

### **CHARGES AND INVOICING**

#### **CHANGE HISTORY**

<b>Version</b>	<b>Date</b>	<b>Description</b>	<b>Document Number</b>
1.0	2022.08.01	Base Version – MSC 2.0 unamended	72939940.1
1.1	2023.06.16	Issued for early draft release to suppliers 16 June 2023	
1.2	2023.07.27	Issued for release to bidders with ITPD	
1.3	2023.10.24	Issued for release to bidders prior to detailed dialogue	
2.0	2024.03.14	Issued for release to bidders at ISFT publication	
3.0	2024.10.08	Issued for release to the Preferred Bidder prior to contract conformance	
4.0	2024.12.11	Issued for release to the Preferred Bidder for contract execution	

## **Schedule 15 (*Charges and Invoicing*)**

### **1 DEFINITIONS**

- 1.1 In this Schedule, the definitions as set out in Schedule 1 (Definitions) shall apply.

**PART A: PRICING**

**1 APPLICABLE PRICING MECHANISM**

- 1.1 Milestone Payments and Service Charges shall be calculated using the pricing mechanism specified in Annex 2 and on the basis of the rates and prices specified in Annex 1 as more particularly set out in this Schedule.
- 1.2 Table 1 of Annex 2 sets out which pricing mechanism shall be used to calculate each Milestone Payment, which shall be one or more of the following:
- (a) **"Time and Materials"**, in which case the provisions of Paragraph 2 shall apply;
  - (b) **"Guaranteed Maximum Price with Target Cost" ("GMPTC")**, in which case the provisions of Paragraph 3 shall apply;
  - (c) **"Fixed Price"**, in which case the provisions of Paragraph 4 shall apply; or
  - (d) **"Firm Price"**, in which case the provisions of Paragraph 5 shall apply.
- 1.3 Table 2 of Annex 2 sets out which pricing mechanism shall be used to calculate each Service Charge, which shall be one or more of the following:
- (a) **"Time and Materials"**, in which case the provisions of Paragraph 2 shall apply;
  - (b) **"Volume Based"** pricing, in which case the provisions of Paragraph 6 shall apply;
  - (c) **"Fixed Price"** in which case the provisions of Paragraph 4 shall apply; or
  - (d) [REDACTED].

**2 TIME AND MATERIALS MILESTONE PAYMENTS OR SERVICE CHARGES**

- 2.1 Where Table 1 or Table 2 of Annex 2 indicates that a Milestone Payment or Service Charge (as applicable) is to be calculated by reference to a Time and Materials pricing mechanism:
- (a) the day rates set out in Table 1 of Annex 1 shall be used to calculate the relevant Charges, provided that the Supplier (or its Sub-contractor) shall:
    - (i) not be entitled to include any uplift for risks or contingencies within its day rates;

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**Version 4.0**

- (ii) not be paid any Charges to the extent that they would otherwise exceed the cap specified against the relevant Charge in Table 2 of Annex 1 unless the Supplier has obtained the Authority's prior written consent. The Supplier shall monitor the amount of each Charge incurred in relation to the relevant cap and notify the Authority immediately in the event of any risk that the cap may be exceeded and the Authority shall instruct the Supplier on how to proceed;
    - (iii) unless otherwise agreed by the Authority in relation to the relevant Milestone Payment or Service Charge (as the case may be), not be paid any Charges to the extent that they would otherwise exceed the amount calculated by multiplying:
      - (A) the total number of days expended by the Supplier in relation to the relevant Milestone; or
      - (B) the total number of days expended by the Supplier during the relevant Service Period in relation to the relevant Service,by the Capped ADR; and
    - (iv) only be entitled to be paid Charges that have been properly and reasonably incurred, taking into account the Supplier's obligation to deliver the Services in a proportionate and efficient manner; and
  - (b) the Supplier shall keep records of hours properly worked by Supplier Personnel (in the form of timesheets) and expenses incurred and submit a summary of the relevant records with each invoice. If the Authority requests copies of such records, the Supplier shall make them available to the Authority [REDACTED] of the Authority's request.
- 2.2 The Supplier shall be entitled to Index the rates set out in Table 1 of Annex 1 and the Capped ADR in accordance with Paragraph 5 of Part C, but any caps set out in Table 2 of Annex 1 shall not be subject to Indexation.
- 3 GUARANTEED MAXIMUM PRICE WITH TARGET COST INCENTIVE MILESTONE PAYMENTS**
- 3.1 Where Table 1 of Annex 2 indicates that a Milestone Payment is to be calculated by reference to the Guaranteed Maximum Price with Target Cost pricing mechanism, the target Costs (the "**Target Cost**") and the target Charge (the "**Target Price**") for the relevant Milestone shall be as set out in Table 4 of Annex 1.
- 3.2 If the Incurred Costs relating to a Milestone are lower than the Target Cost for that Milestone, the difference between the Incurred Costs and the Target Cost shall be shared equally between the Authority and the Supplier (resulting in

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**Version 4.0**

the Supplier receiving a higher Supplier Profit Margin in relation to that Milestone), and the Milestone Payment shall be calculated as follows:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED].

- 3.3 If the Incurred Costs relating to a Milestone are greater than the Target Cost for that Milestone, the difference between the Incurred Costs and the Target Cost shall be borne equally between the Authority and the Supplier (resulting in the Supplier receiving a lower Supplier Profit Margin in relation to that Milestone), provided that the maximum Milestone Payment payable by the Authority for the relevant Milestone shall not exceed an amount equal to the guaranteed maximum price for that Milestone as set out in Table 4 of Annex 1 (the “**Guaranteed Maximum Price**”) Represented numerically:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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**Version 4.0**

3.4 [REDACTED]  
[REDACTED]  
[REDACTED]

**4 FIXED PRICE MILESTONE PAYMENTS OR SERVICE CHARGES**

4.1 Where Table 1 or Table 2 of Annex 2 indicates that a Milestone Payment or Service Charge is to be calculated by reference to a Fixed Price pricing mechanism, the relevant Charge shall be the amount set out against that Charge in Table 5 of Annex 1.

4.2 [REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED].

**5** [REDACTED]

5.1 Where Table 1 [REDACTED] of Annex 2 indicates that a Milestone Payment [REDACTED] is to be calculated by reference to a [REDACTED] pricing mechanism, the relevant Charge shall be the amount set out against that Charge in Table 6 of Annex 1.

5.2 [REDACTED]  
[REDACTED].

5.3 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
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[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## **6 VOLUME BASED SERVICE CHARGES**

6.1 Where Table 2 of Annex 2 indicates that a Service Charge is to be calculated by reference to a Volume Based pricing mechanism, the relevant Charges shall be calculated on the basis of the unit costs set out against that Service Charge in Table 7 of Annex 1.

6.2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6.3 In the event that the volume of any Services that are to be calculated by reference to a Volume Based pricing mechanism fall outside the relevant volume bands set out against that Service Charge in Table 7 of Annex 1, the relevant Service Charges shall be calculated in accordance with the Change Control Procedure and Paragraph 4 of Part C.

6.4 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

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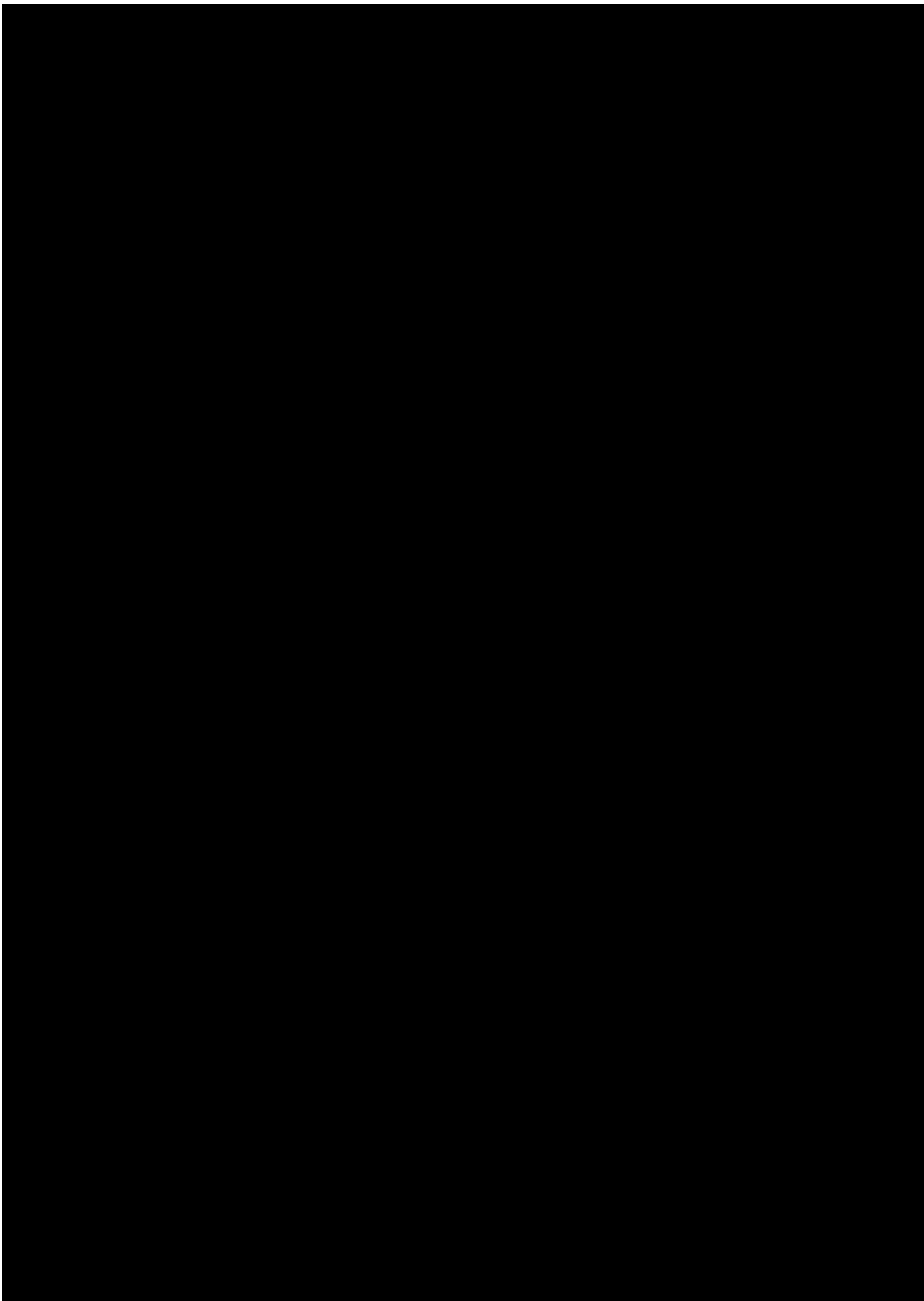
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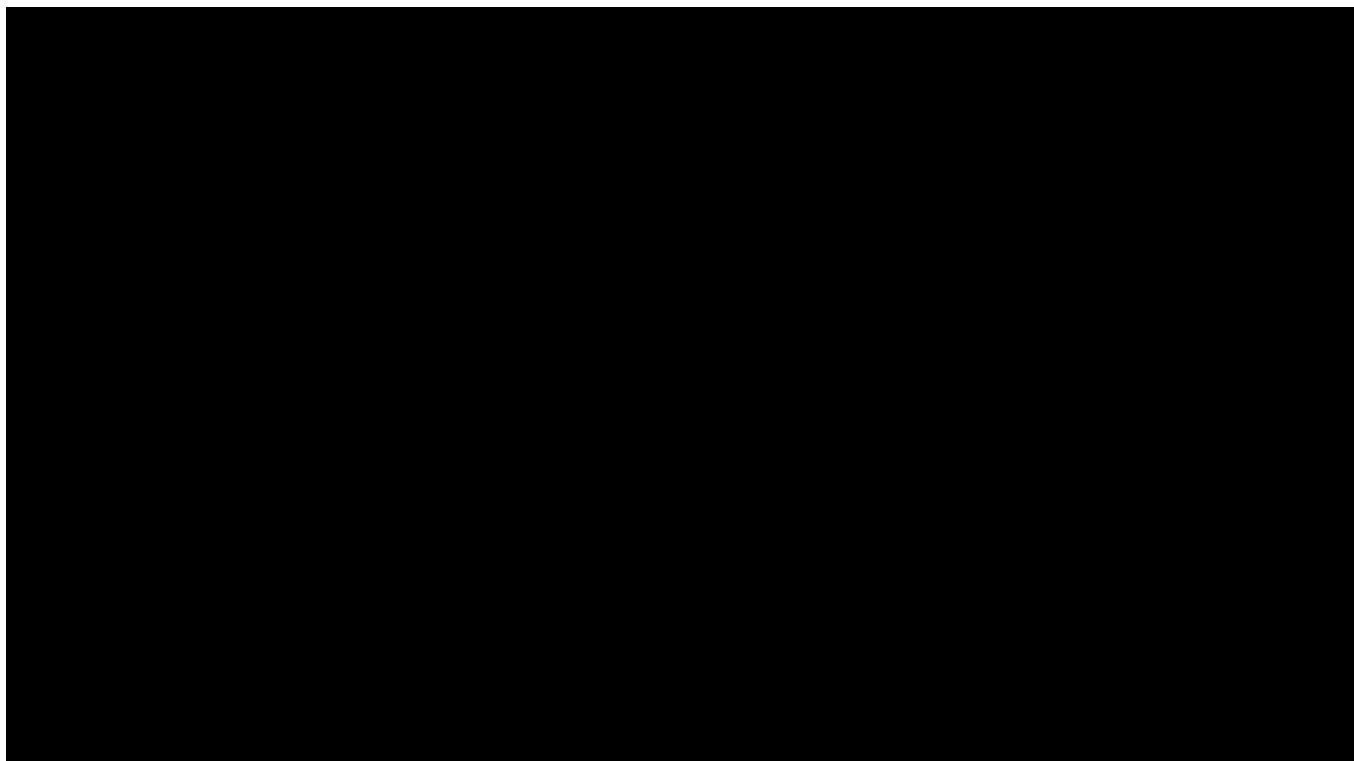
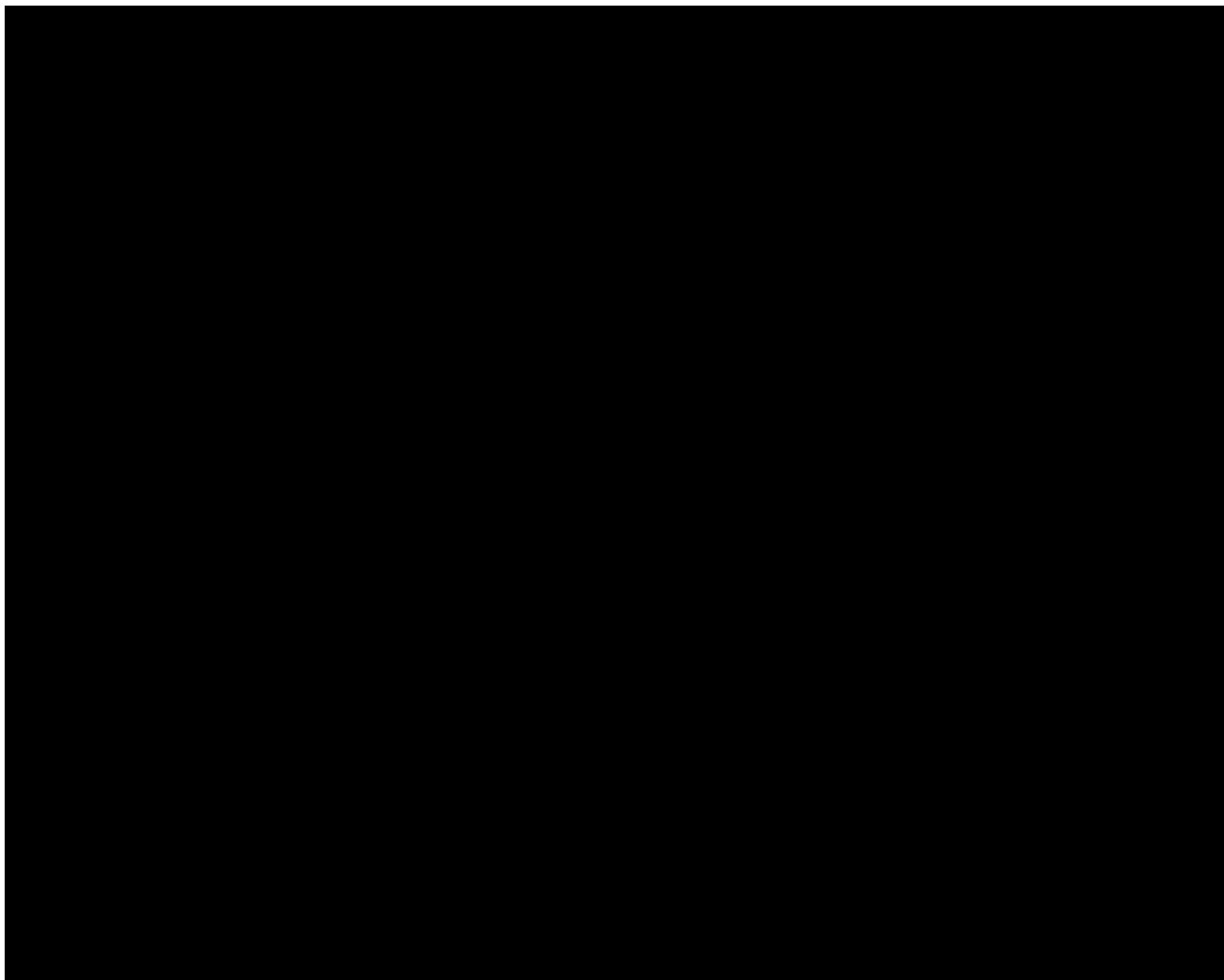
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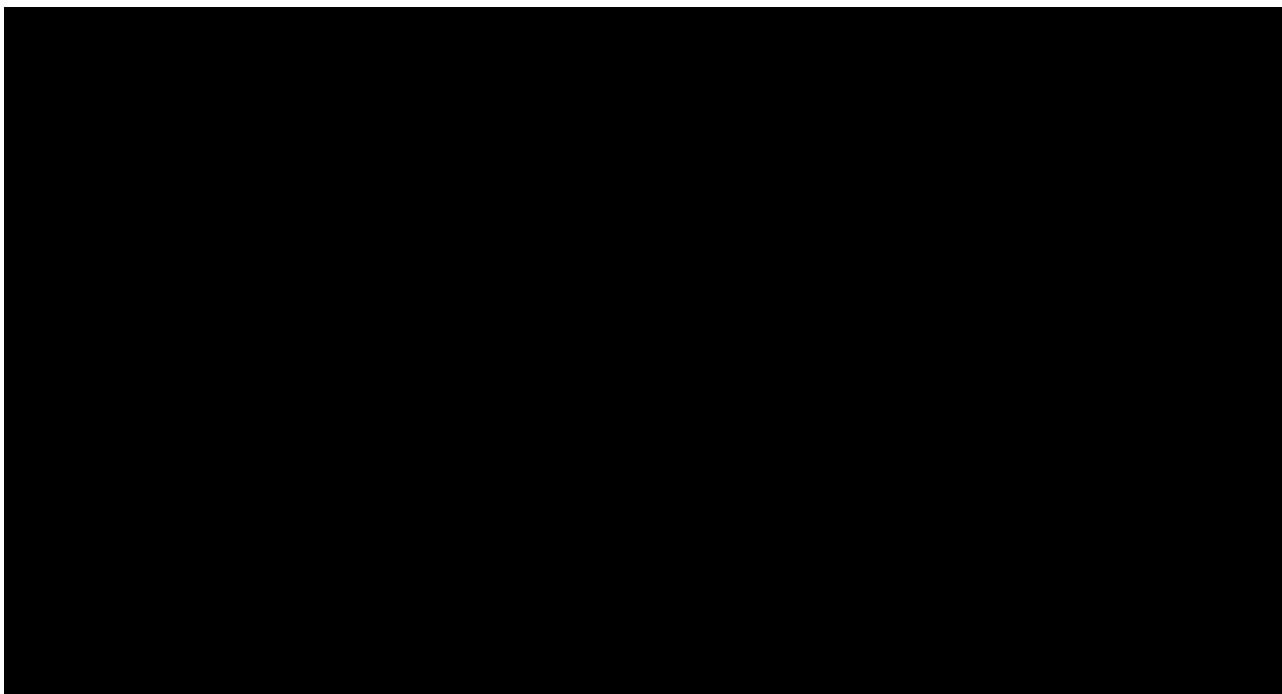




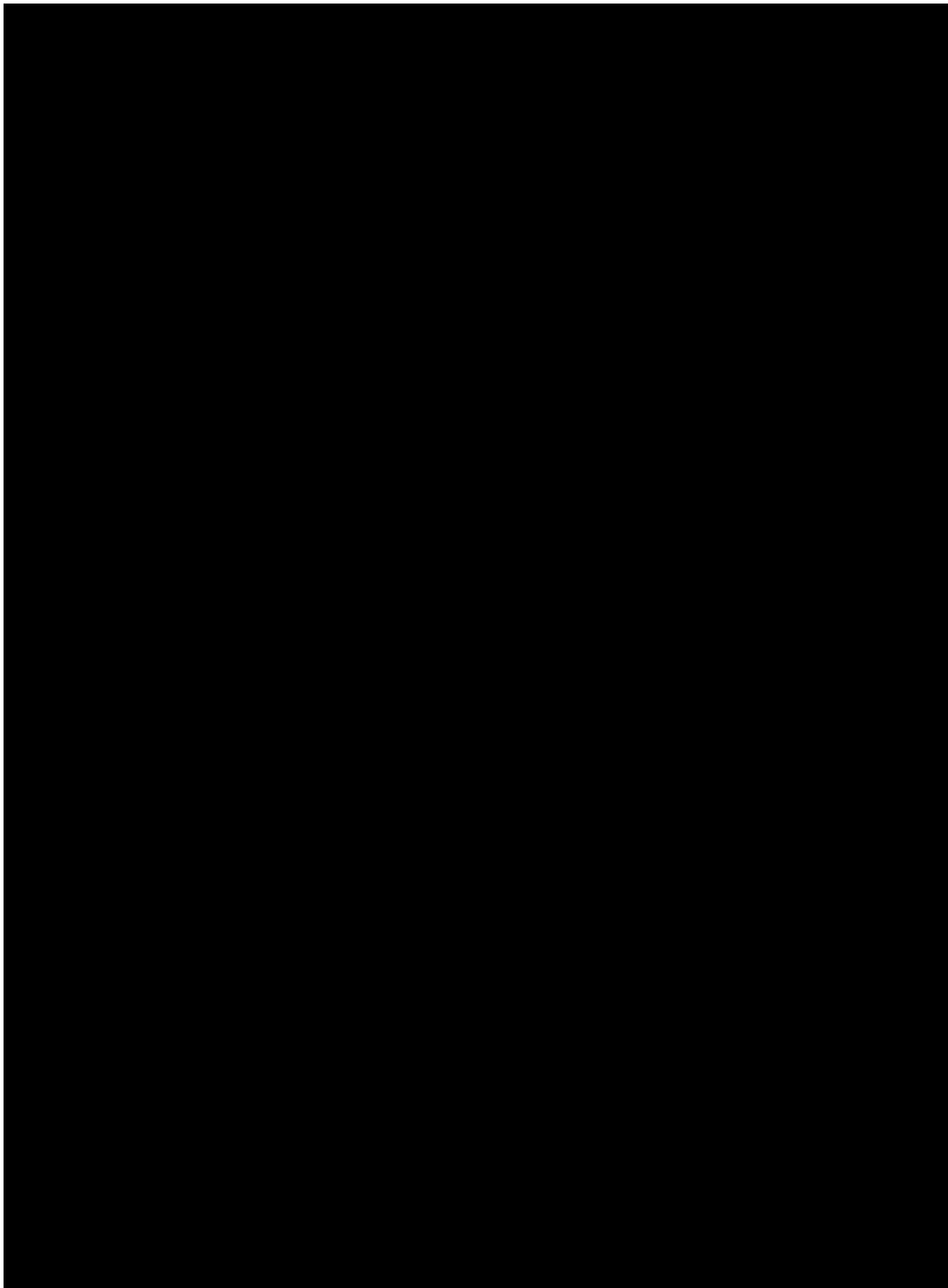
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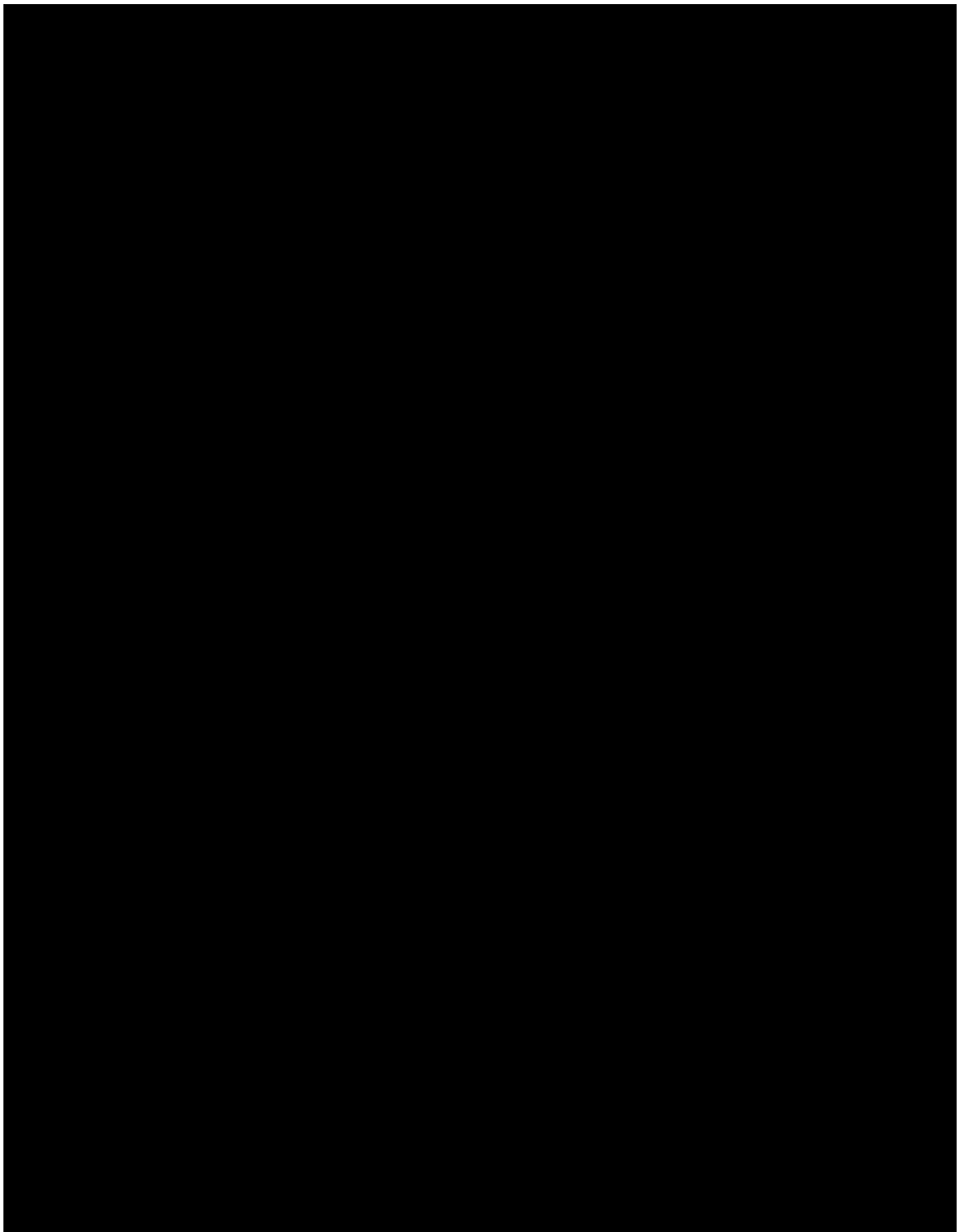
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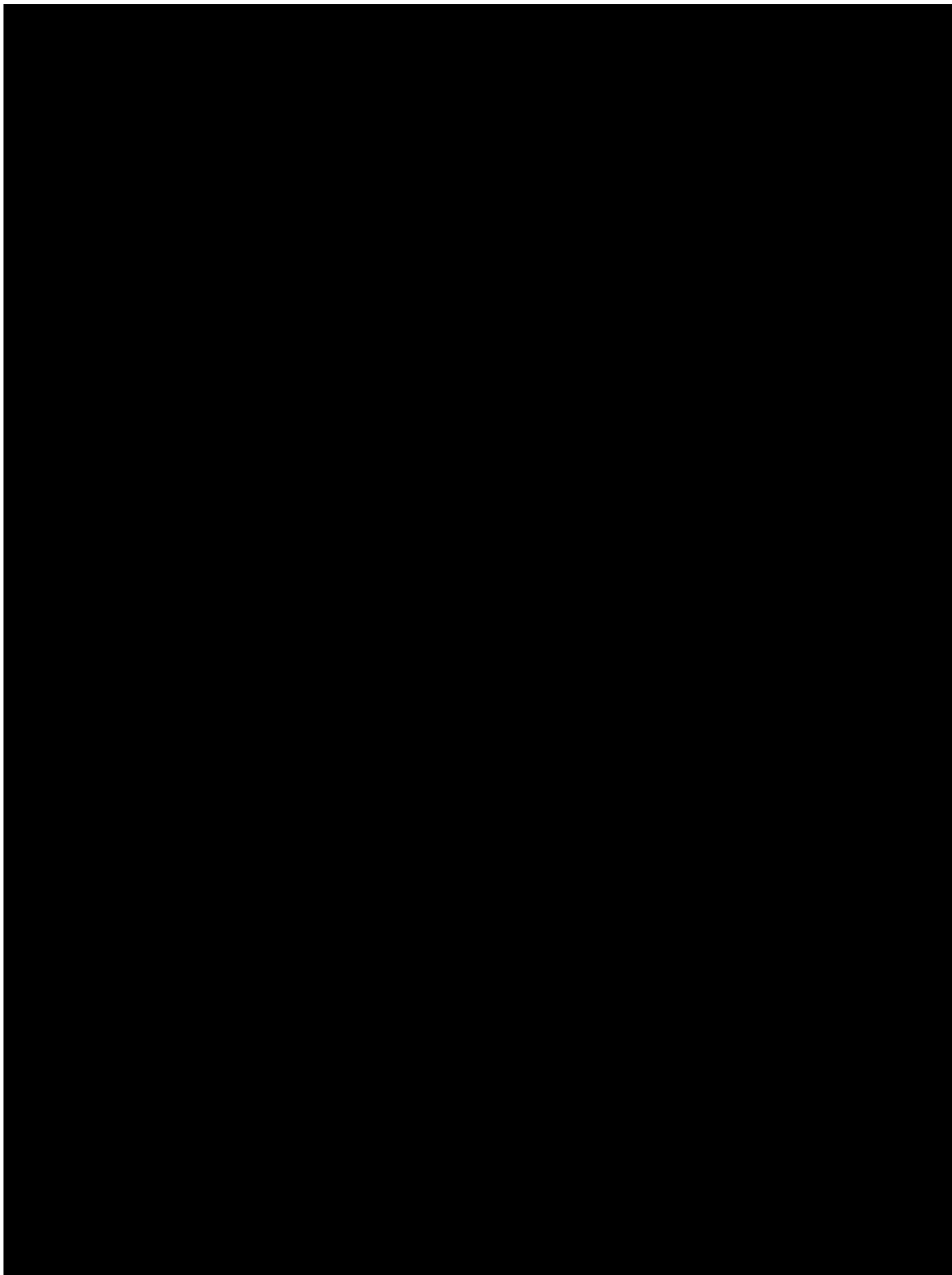
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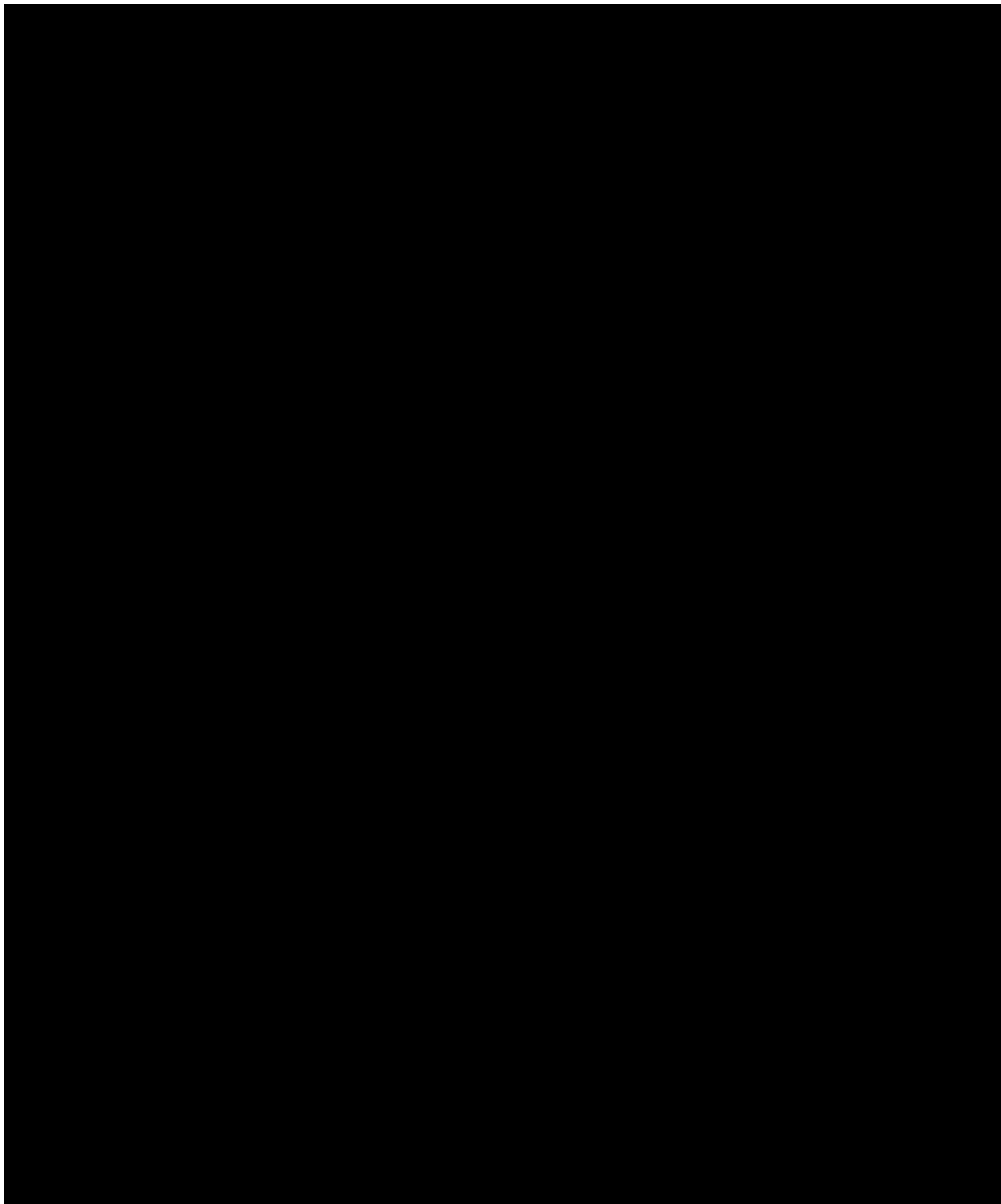
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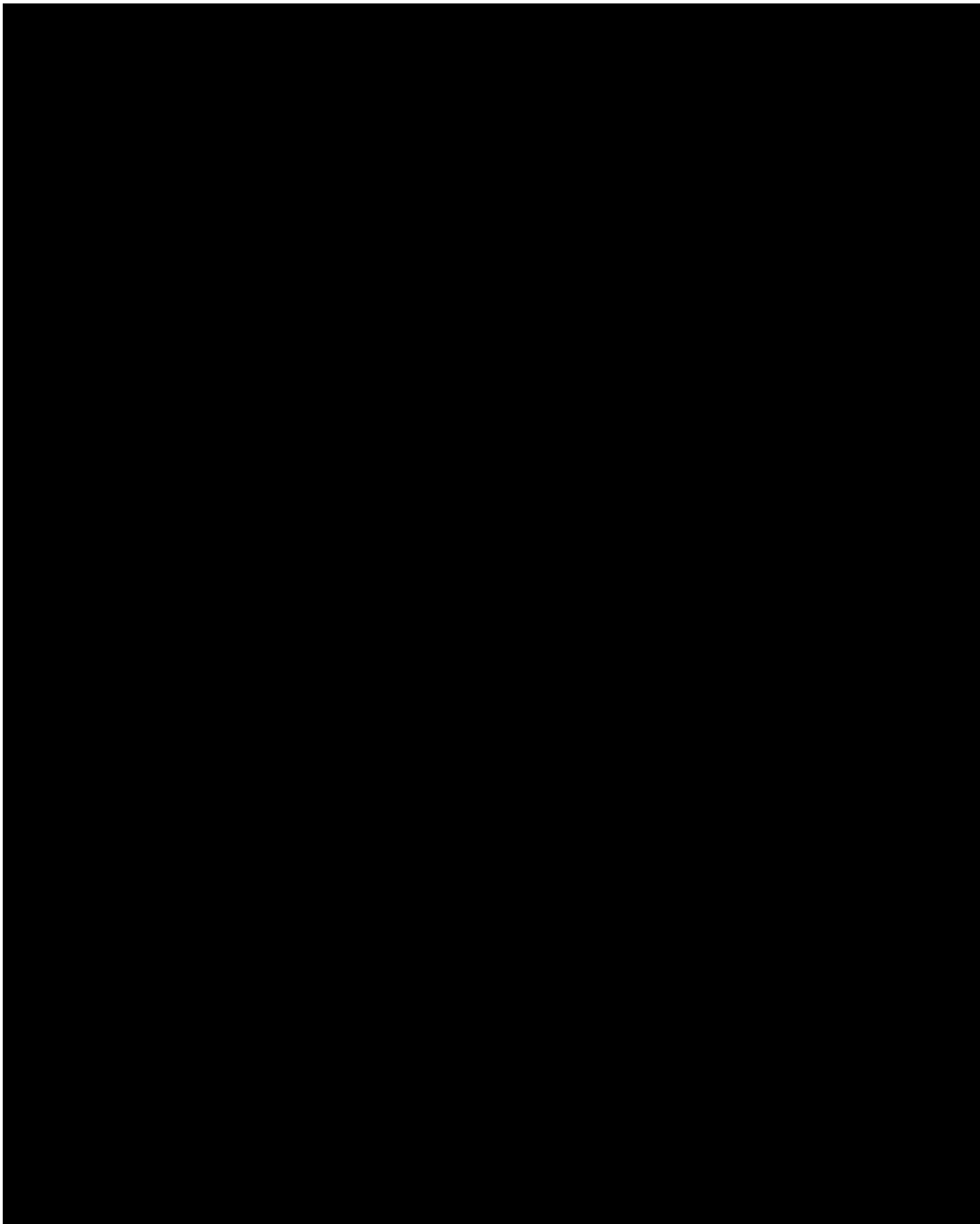
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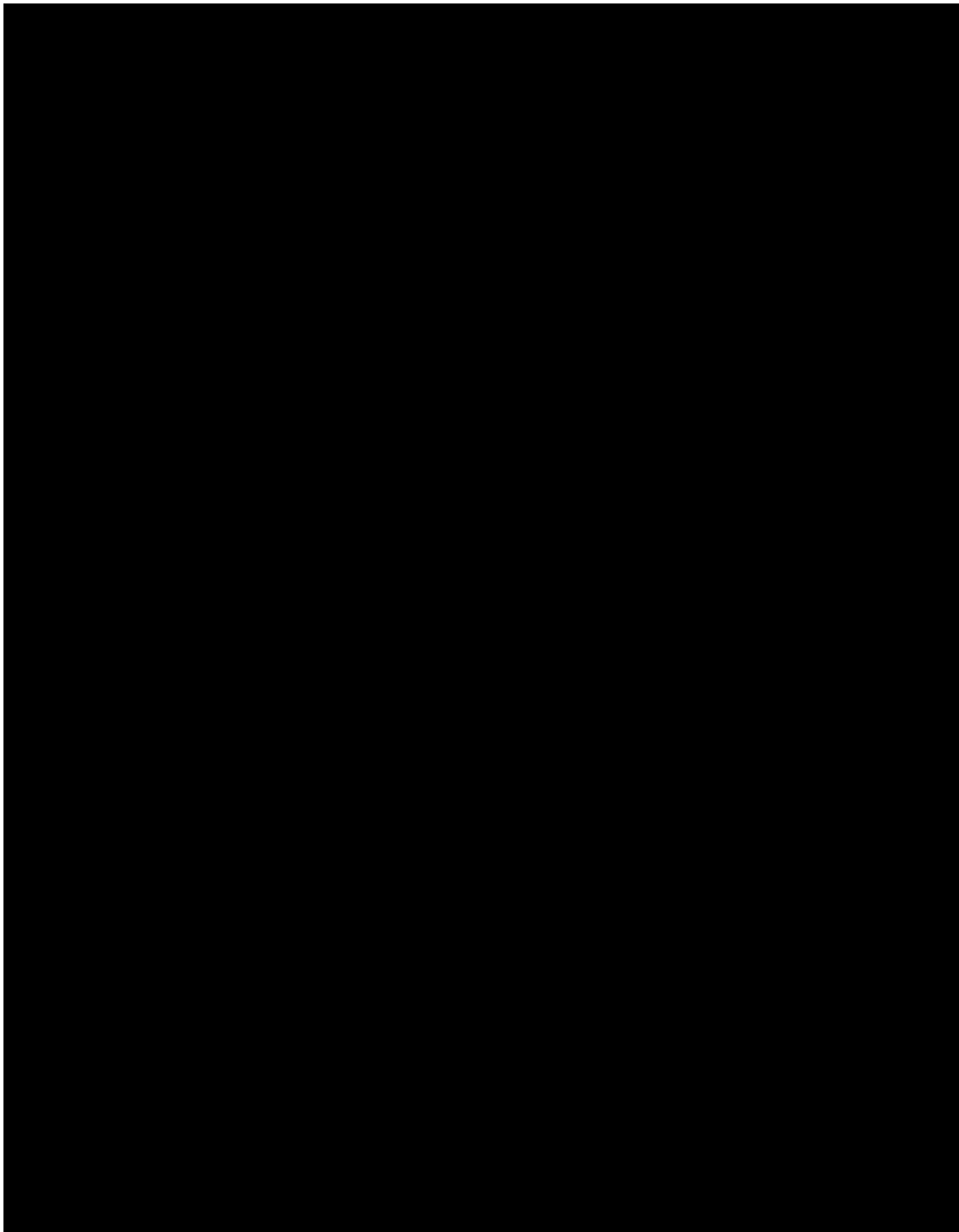
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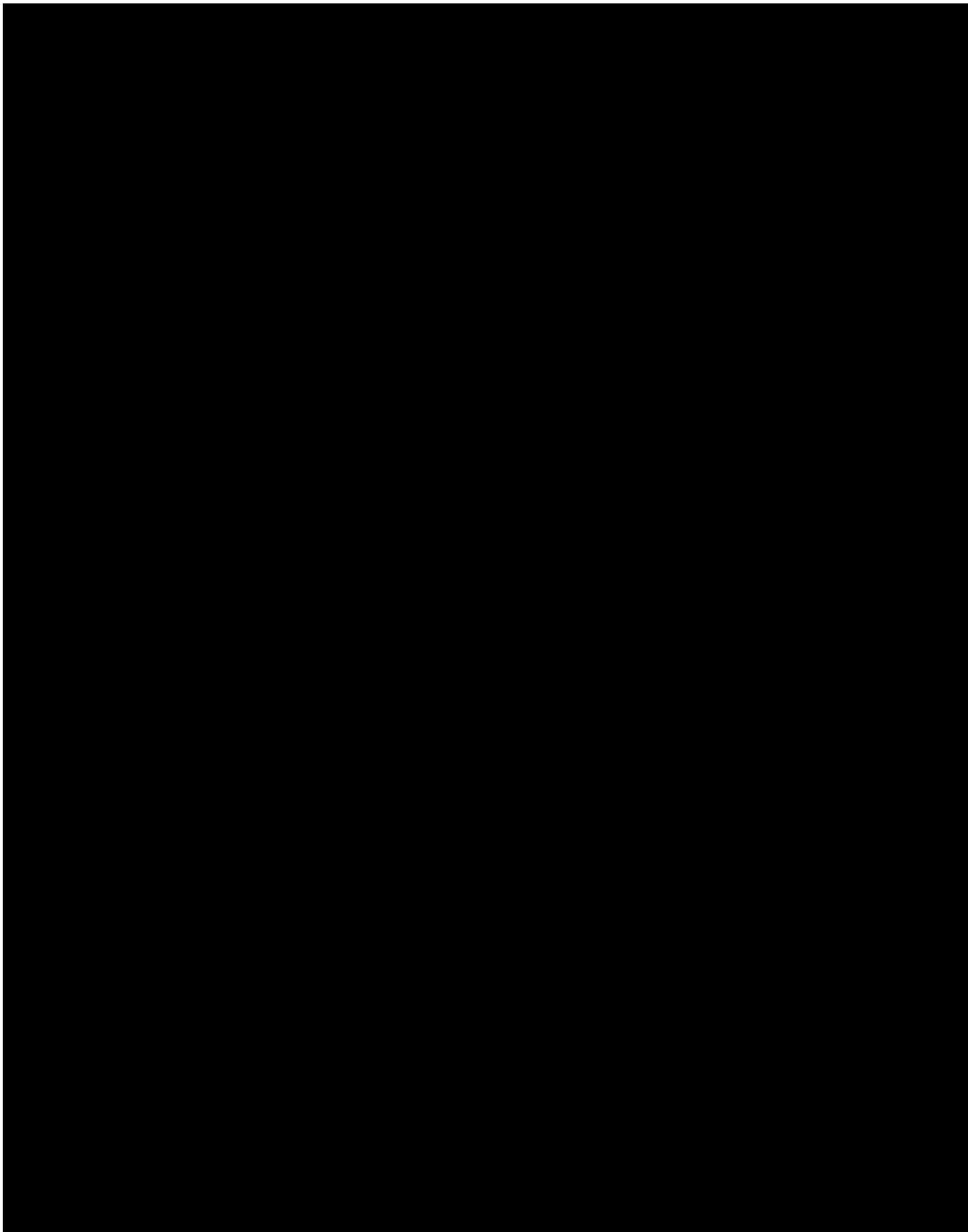


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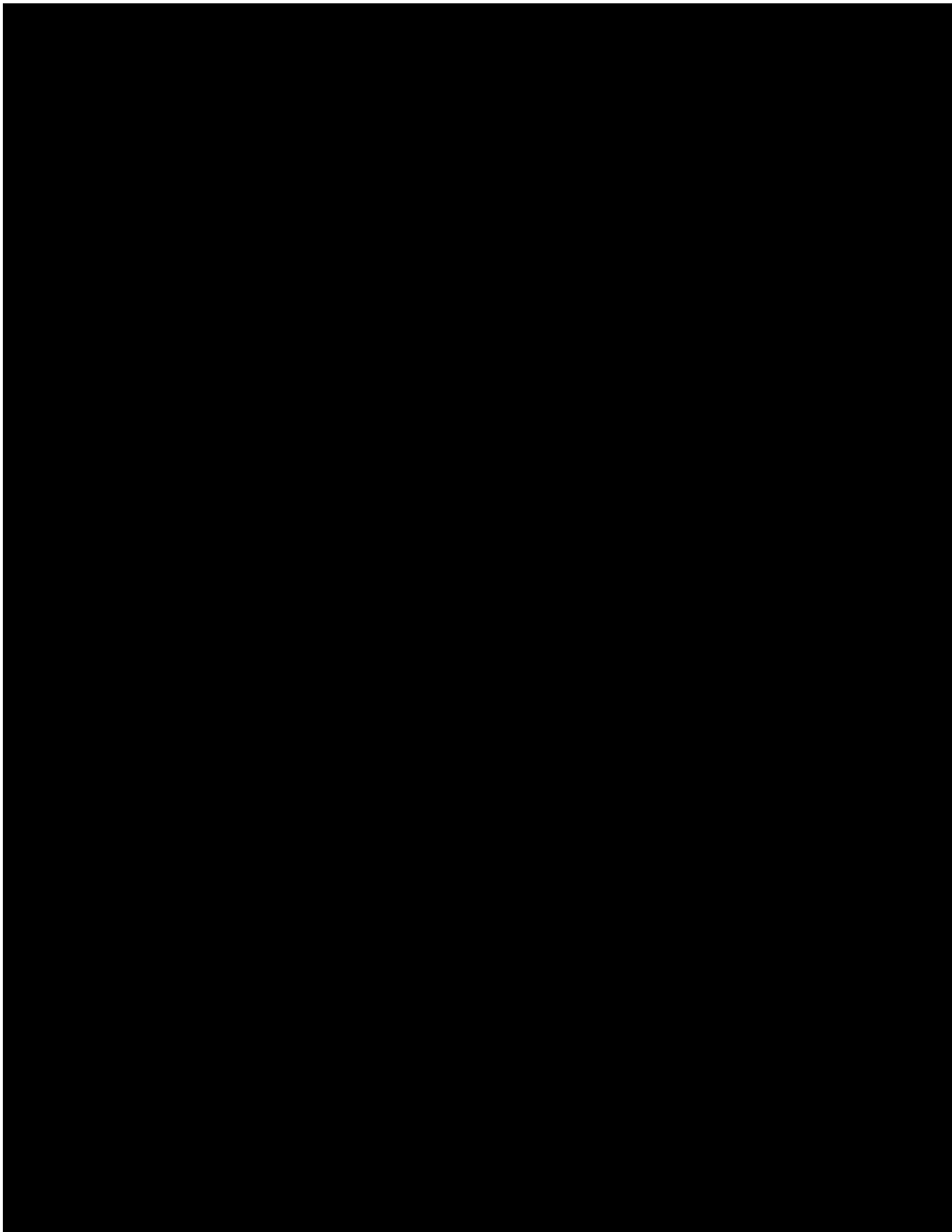




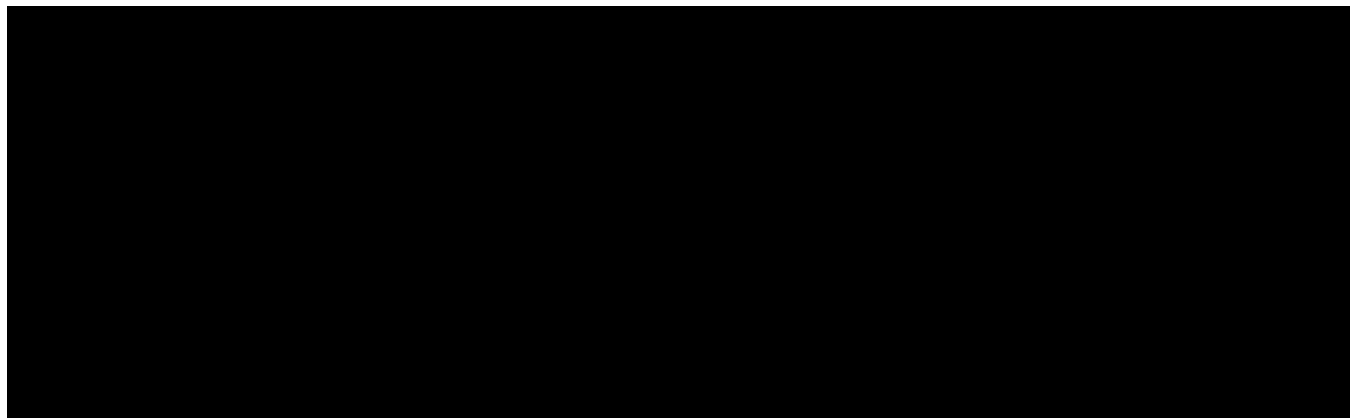
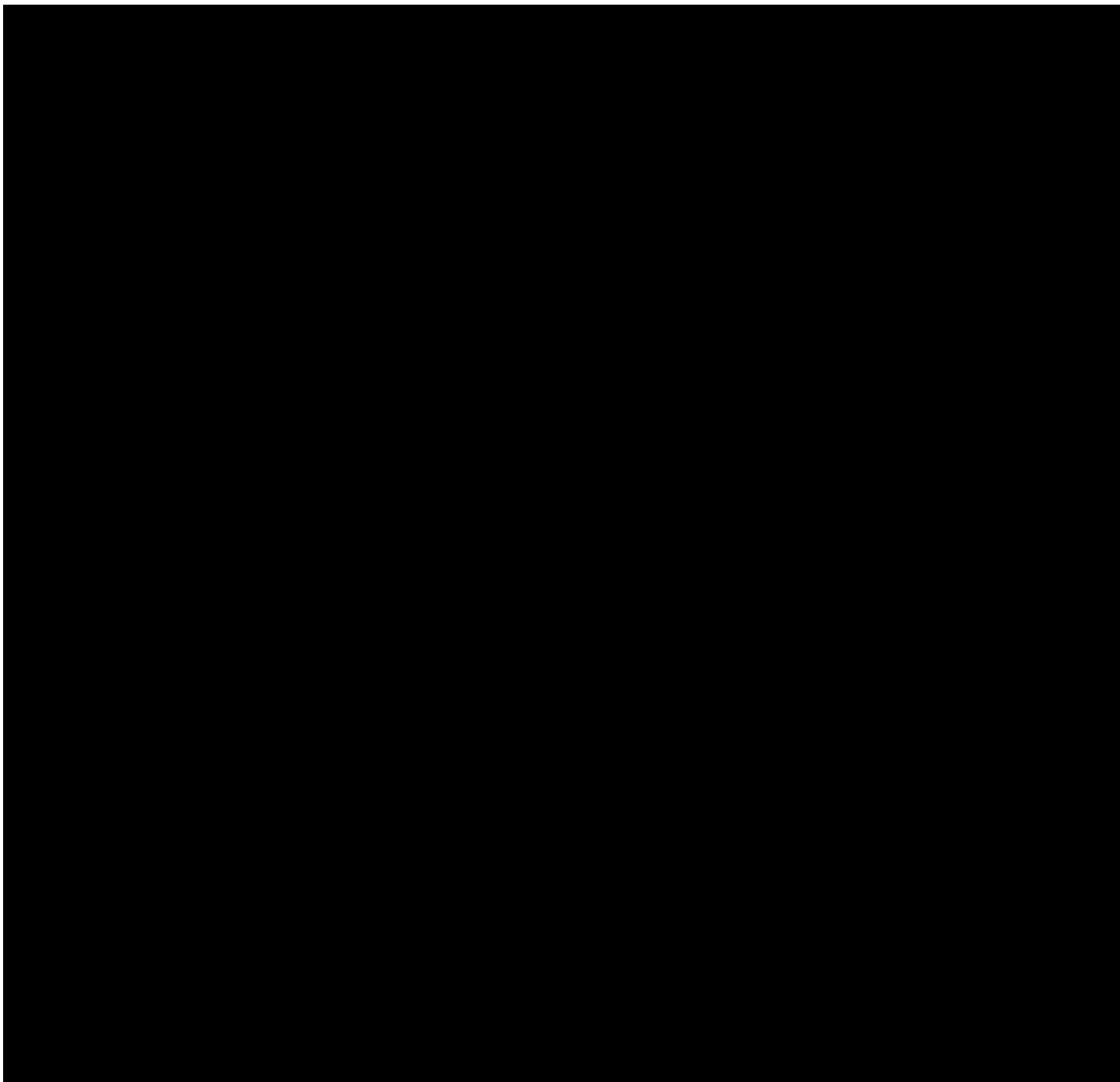
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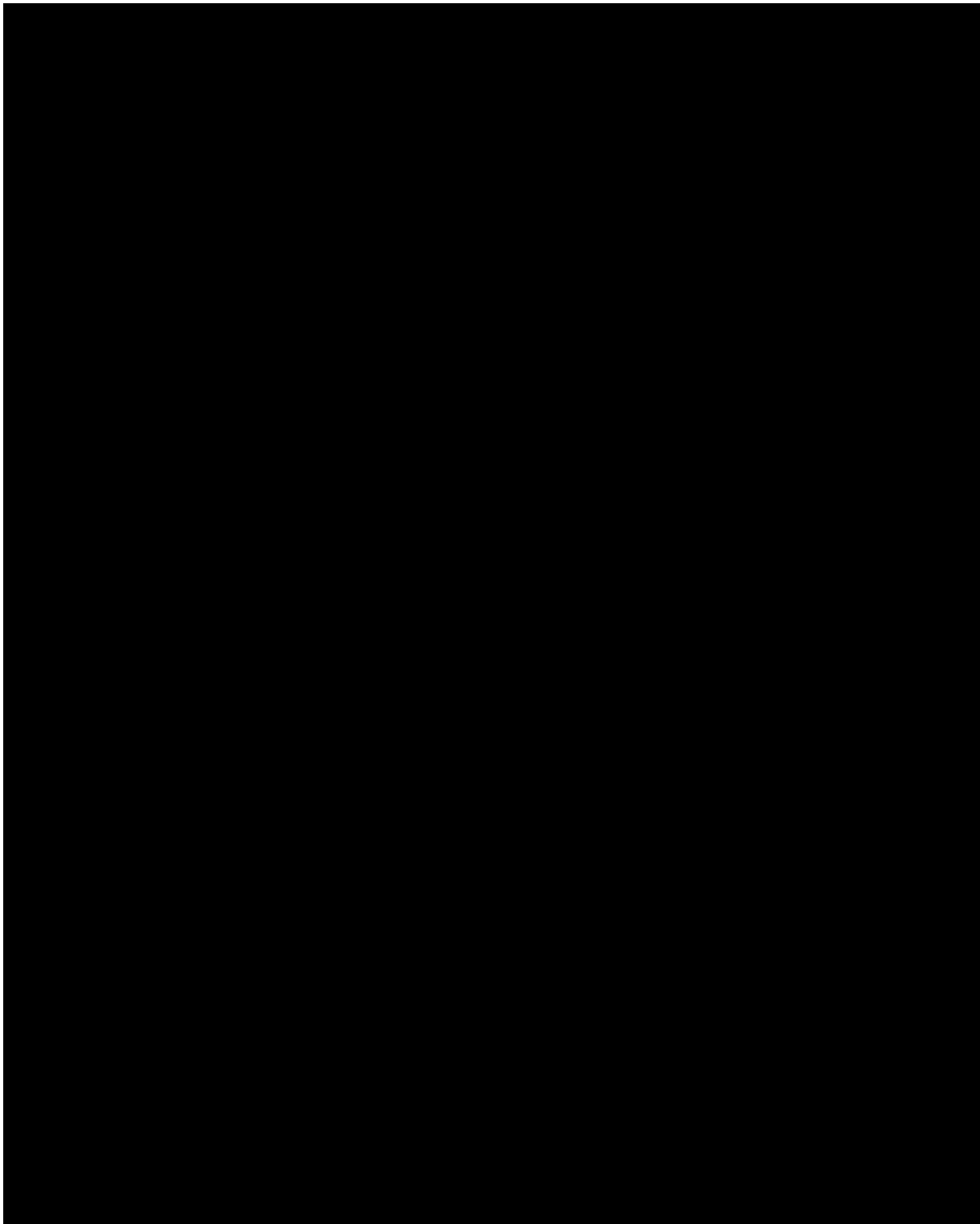
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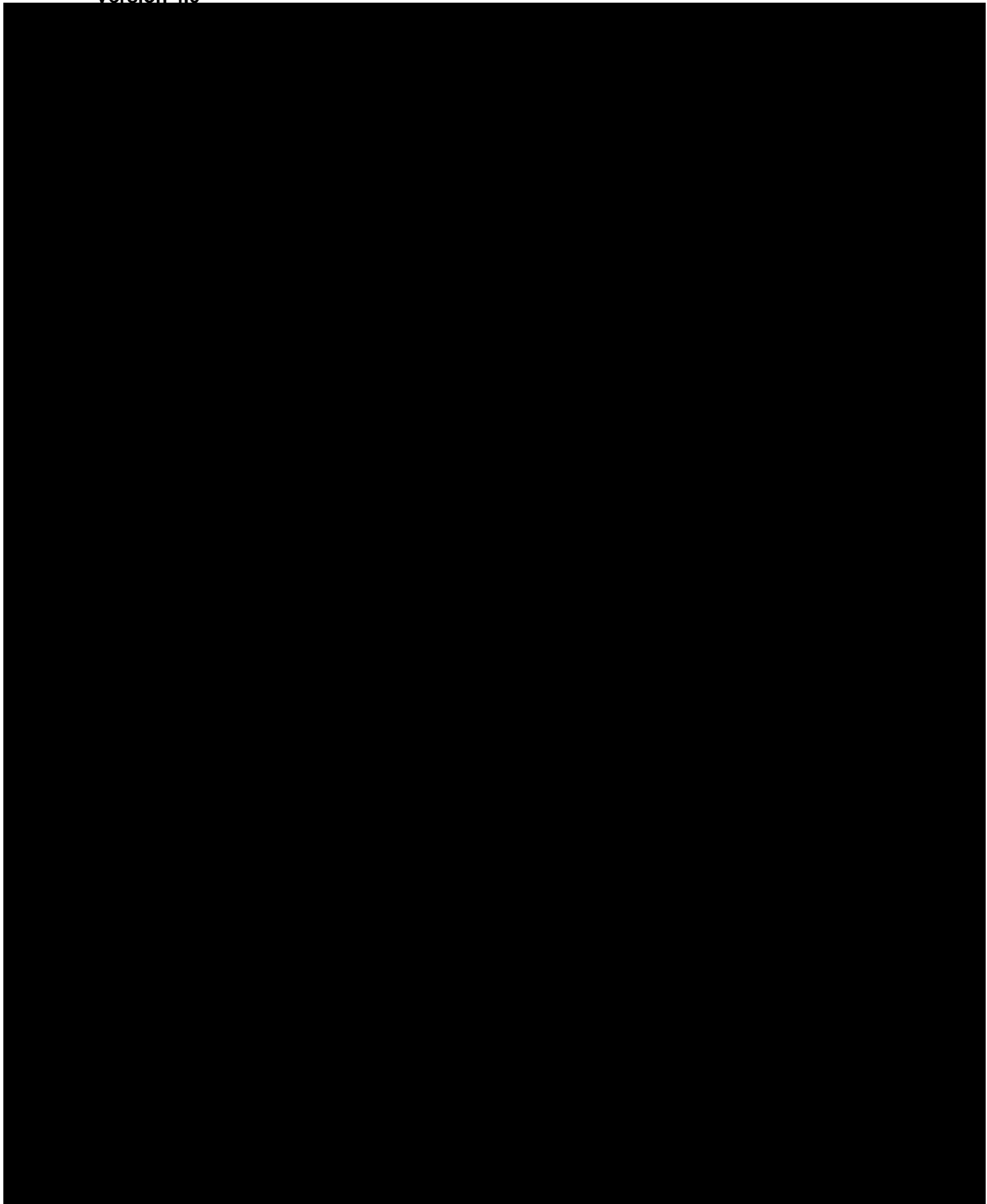
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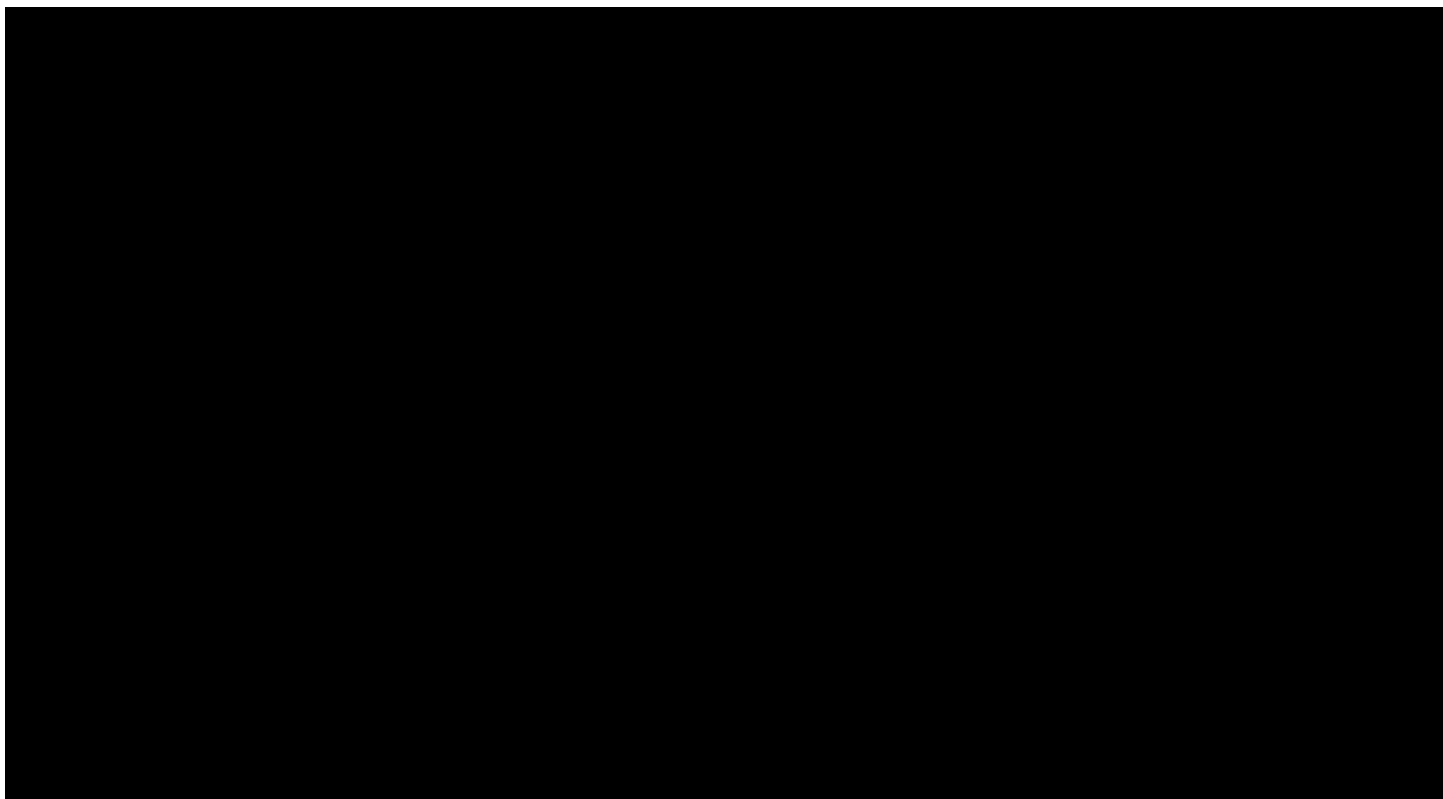
## **7 RISK REGISTER**

- 7.1 The Parties shall review the Risk Register set out in Annex 4 from time to time and as otherwise required for the purposes of Schedule 21 (Governance).

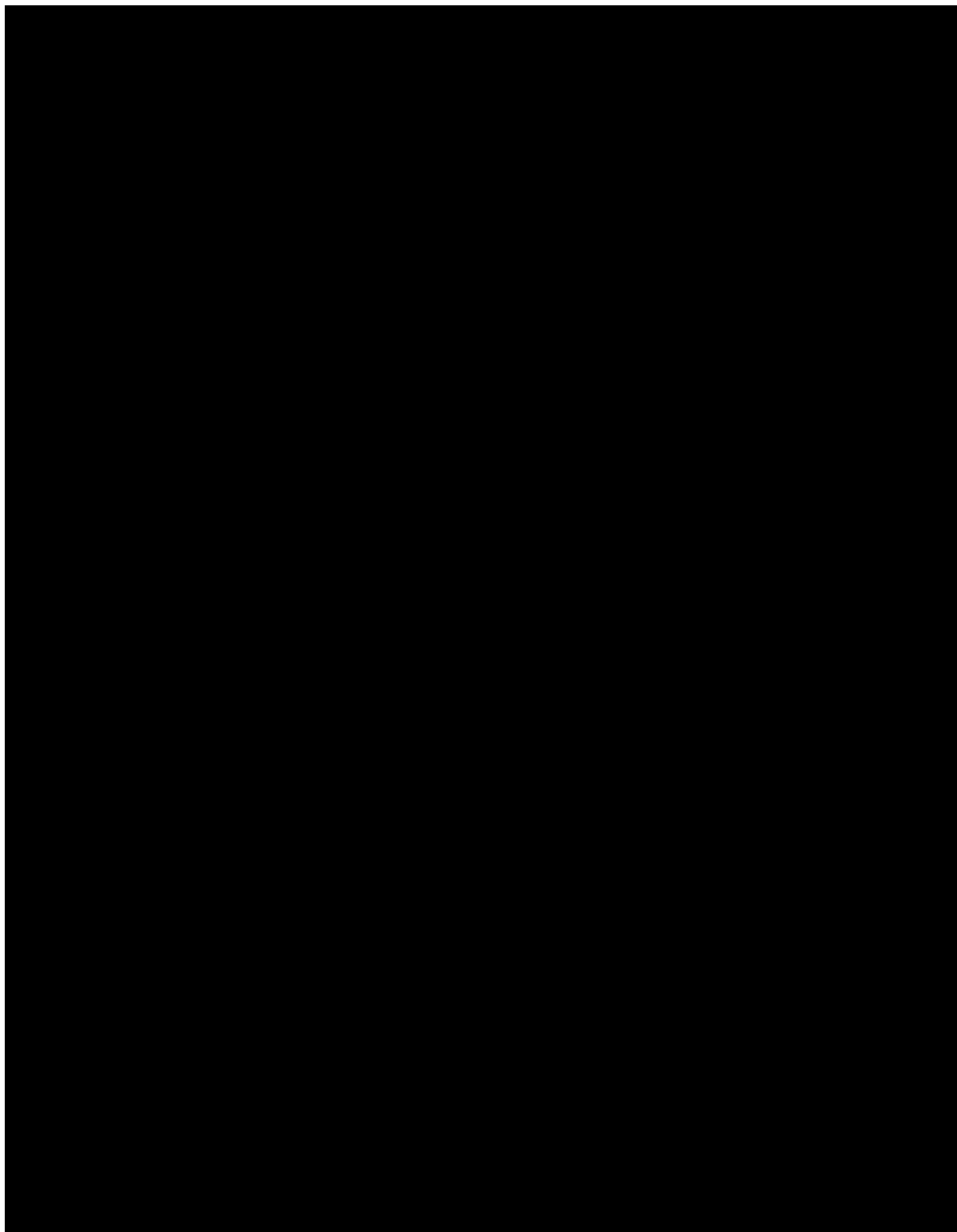
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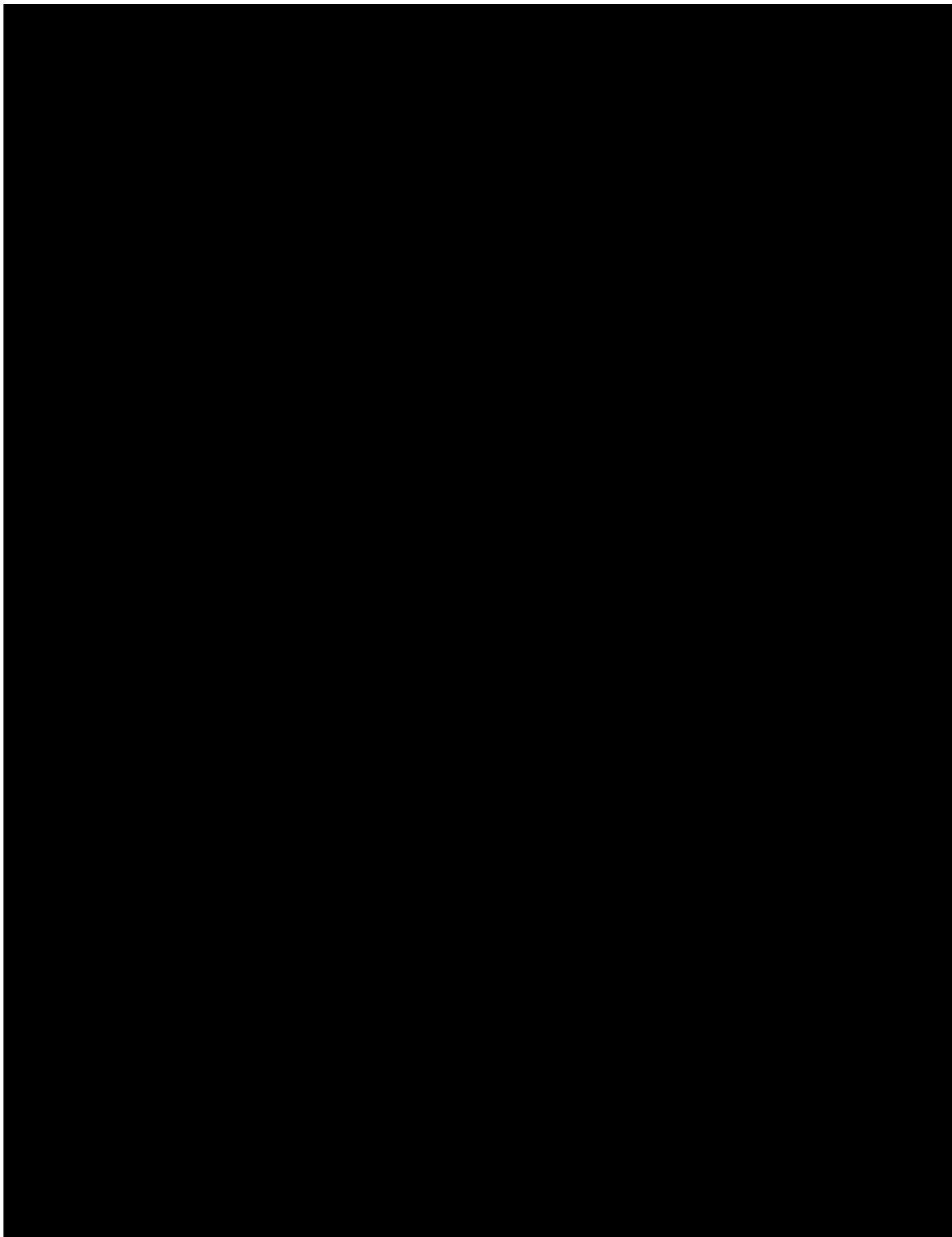


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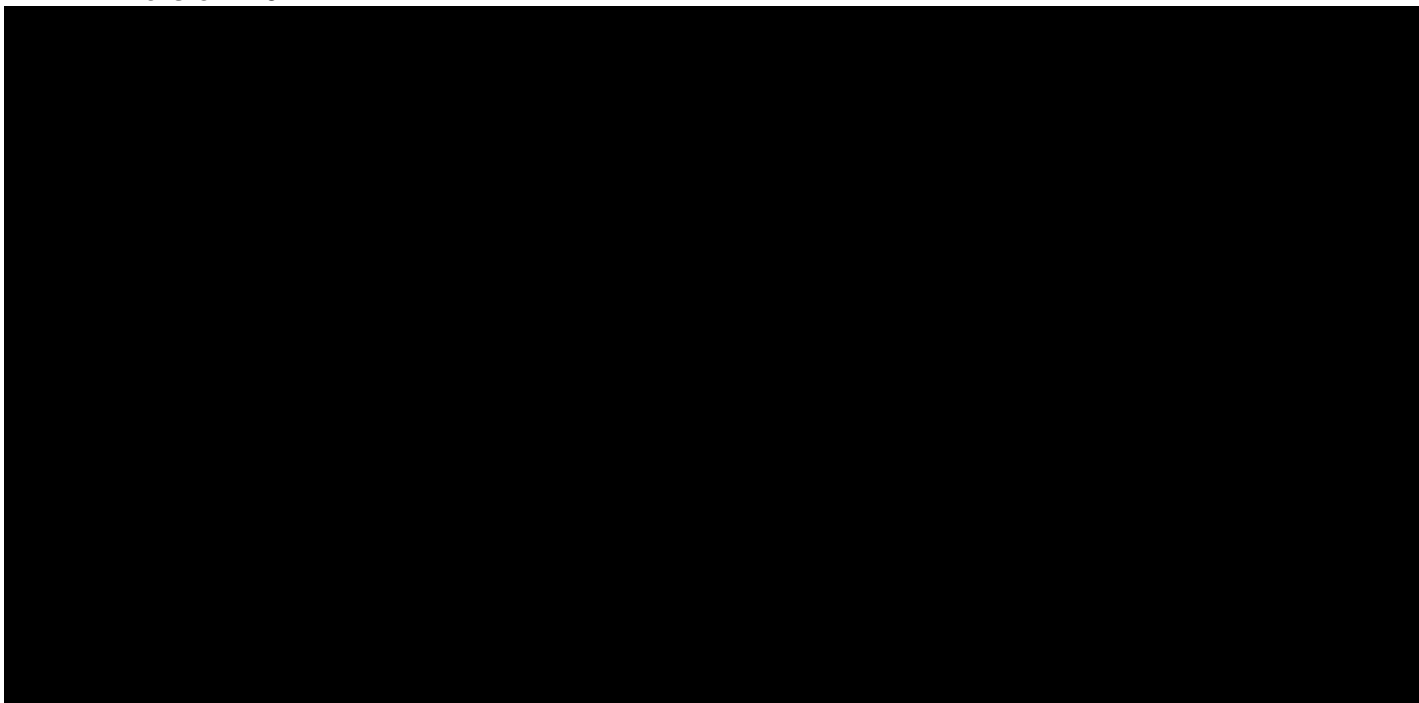




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**Version 4.0**



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Version 4.0

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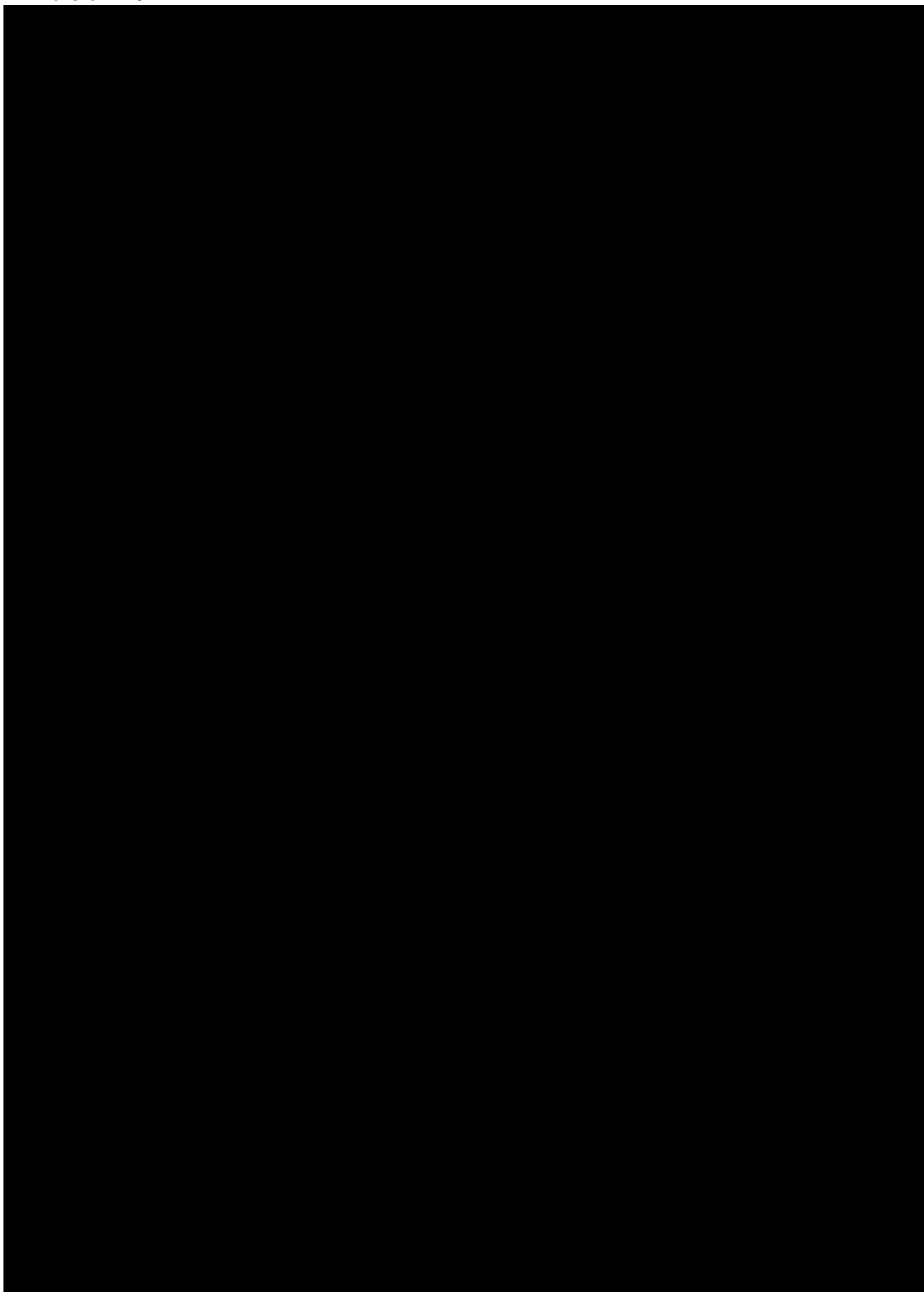
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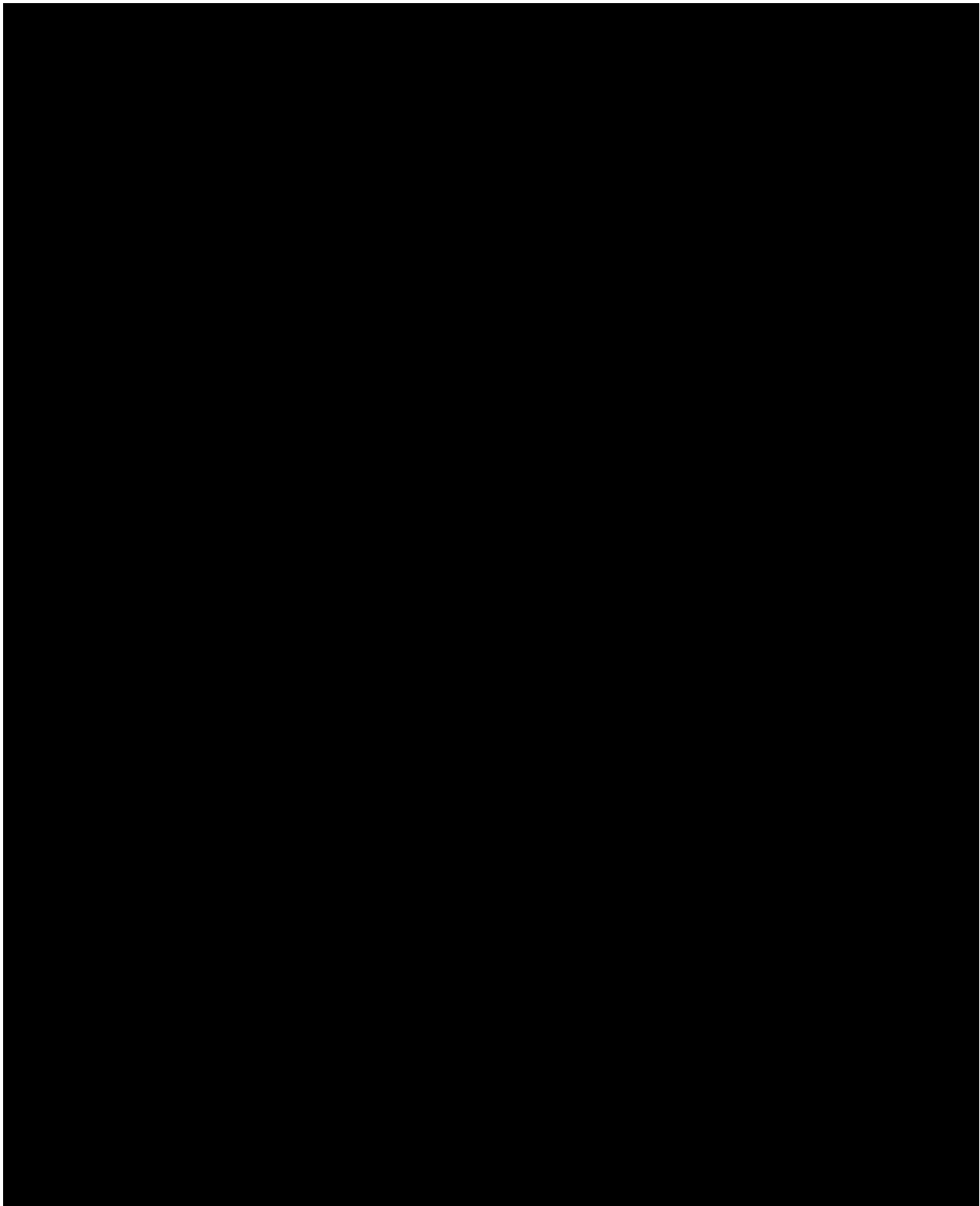
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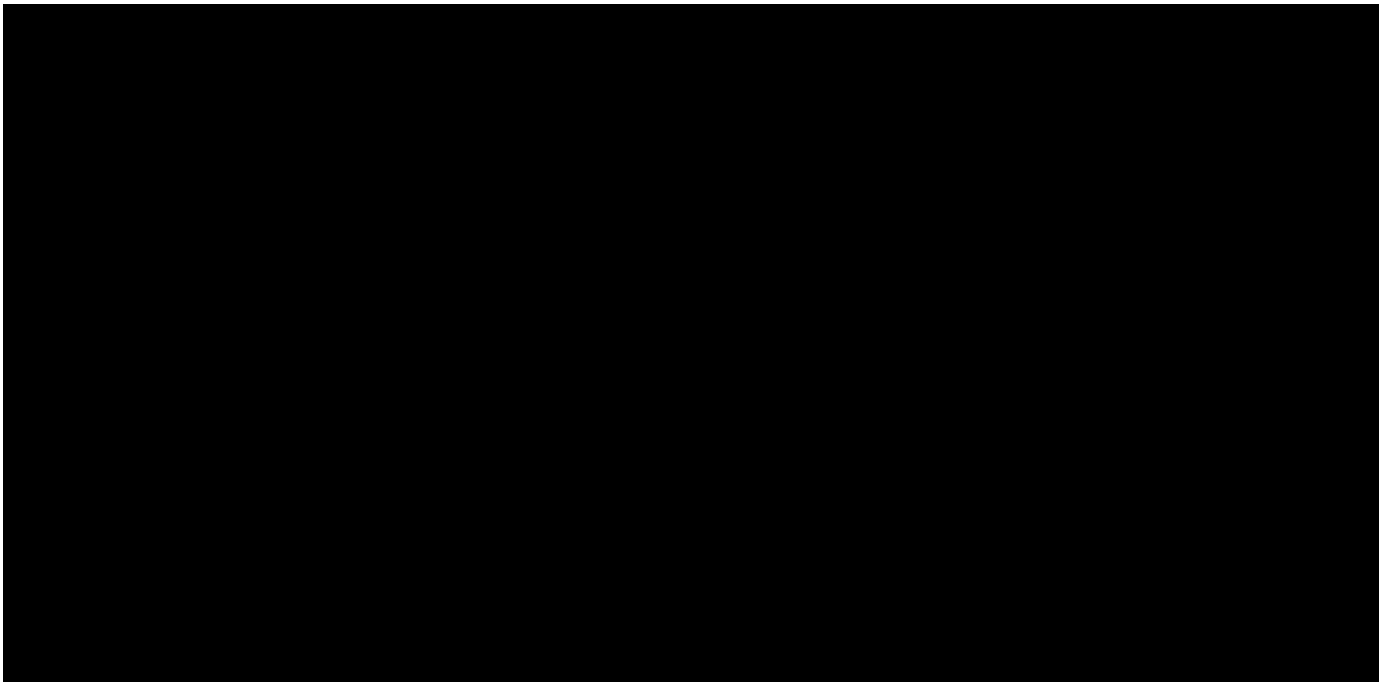
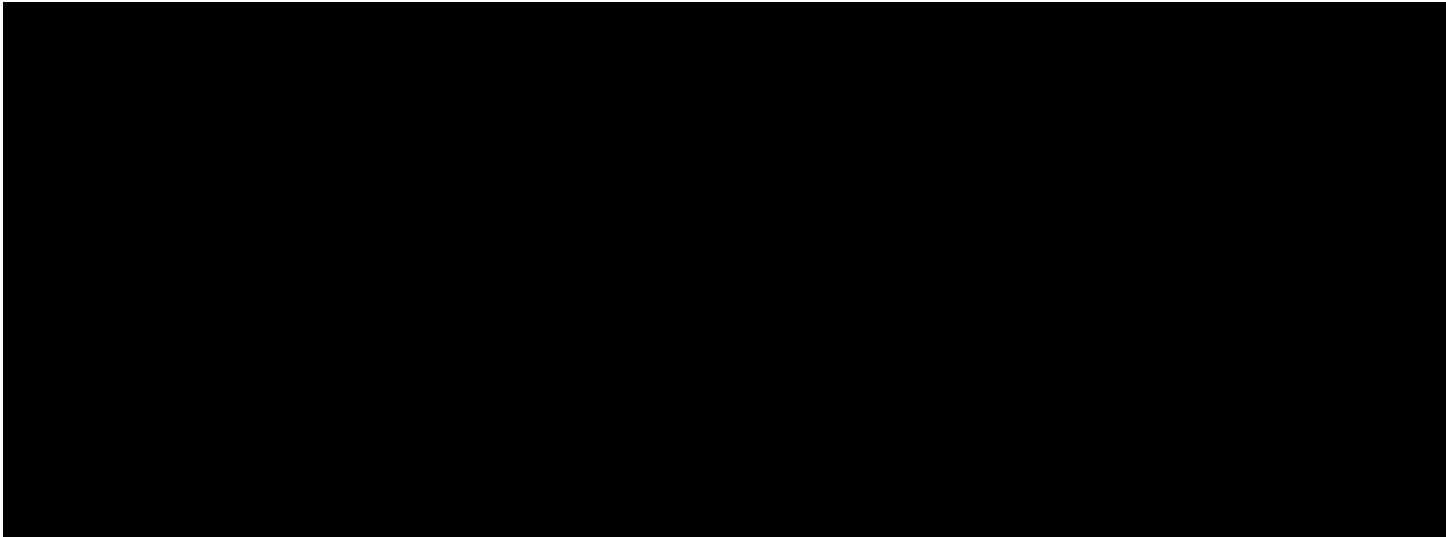
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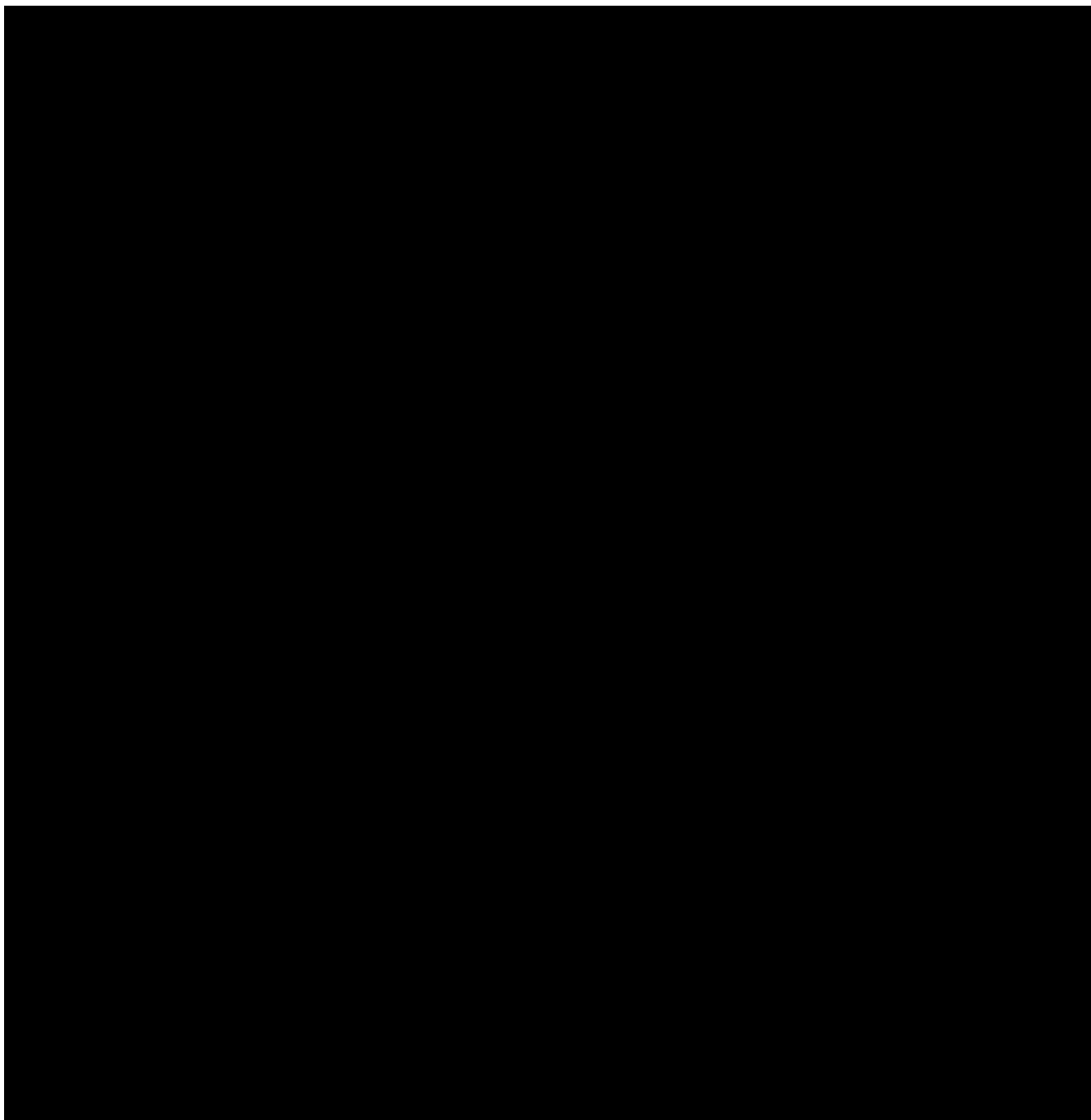
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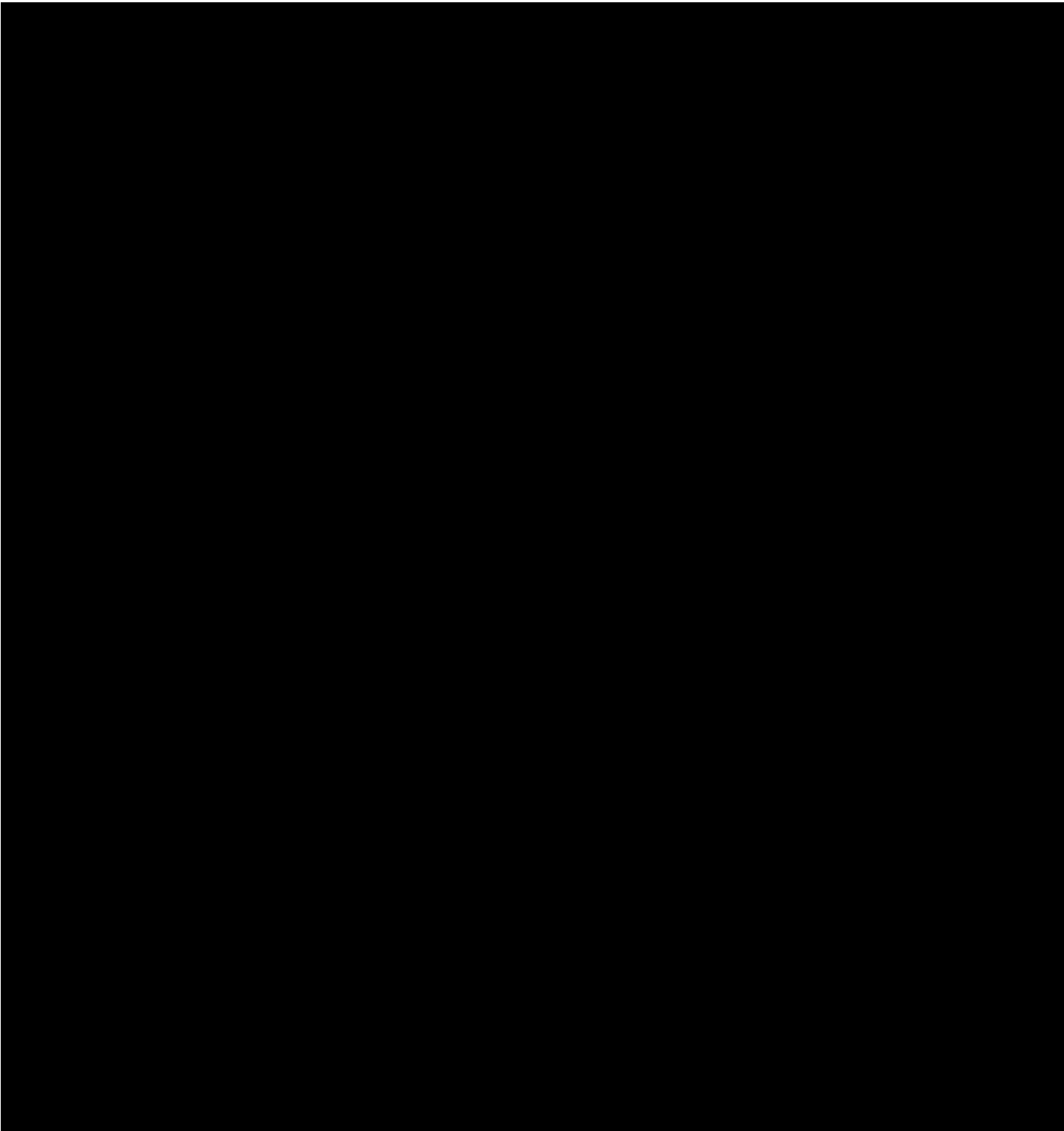
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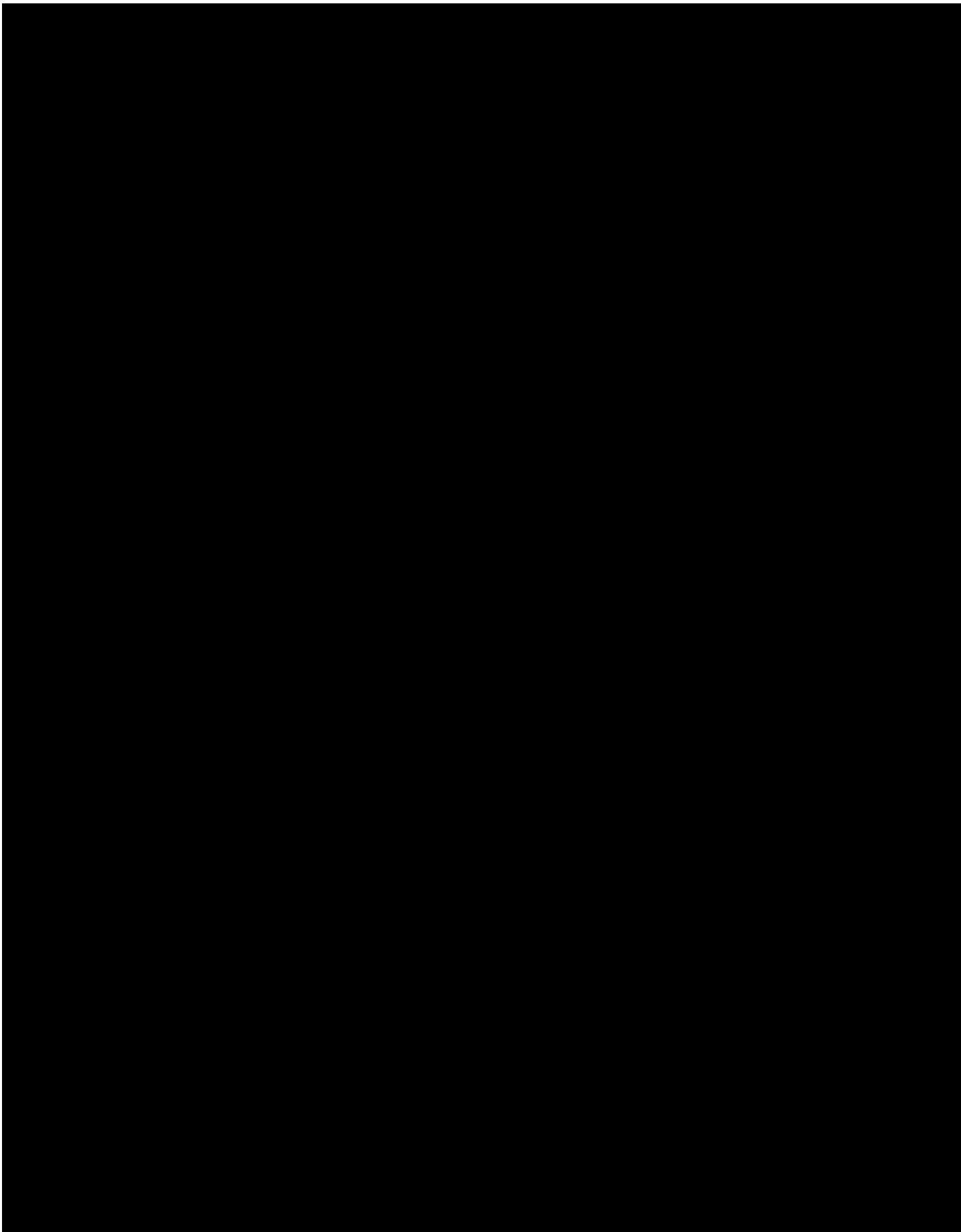
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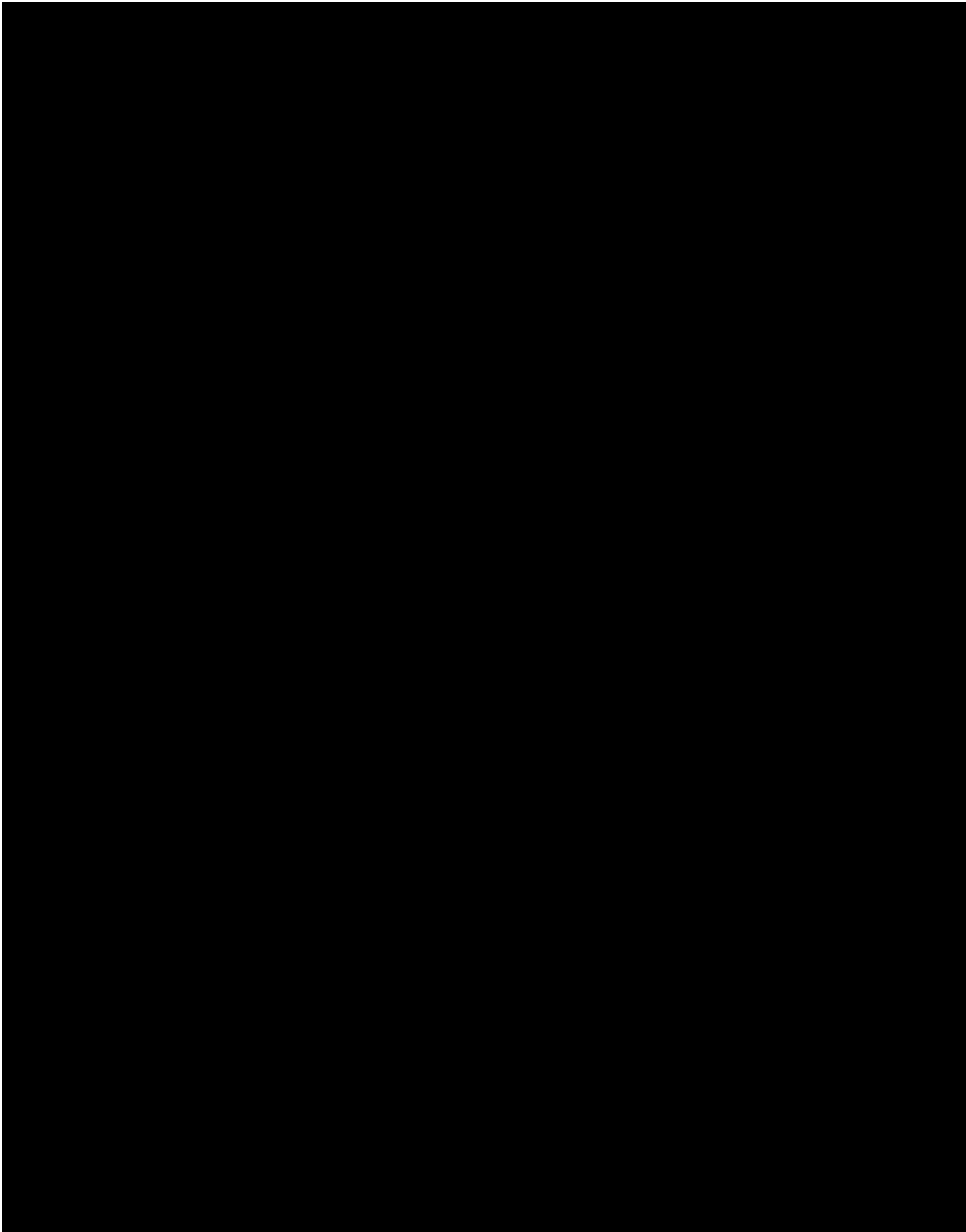




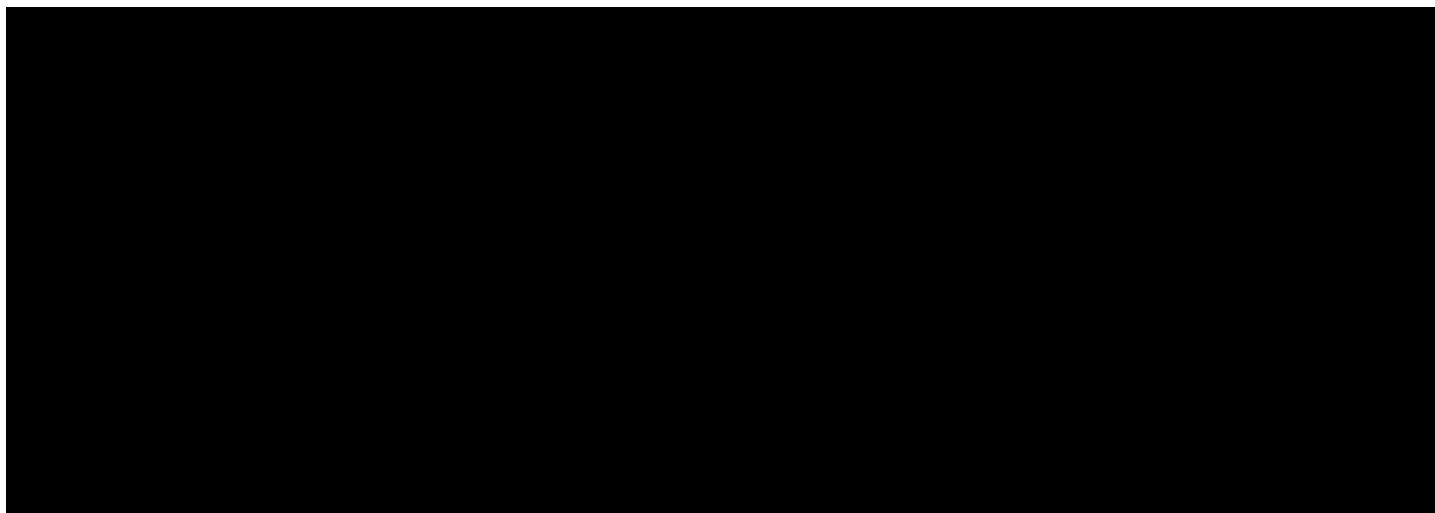
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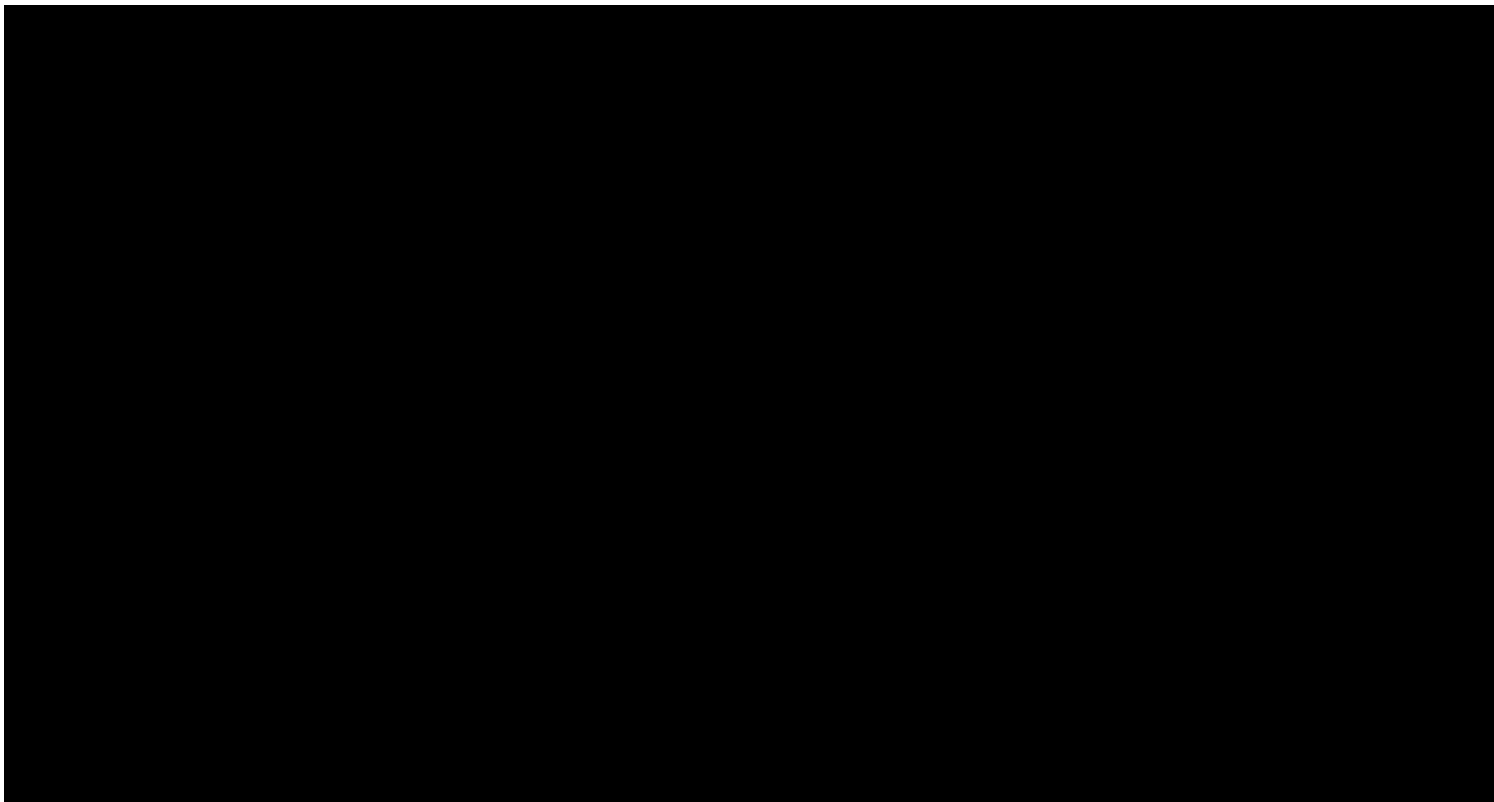


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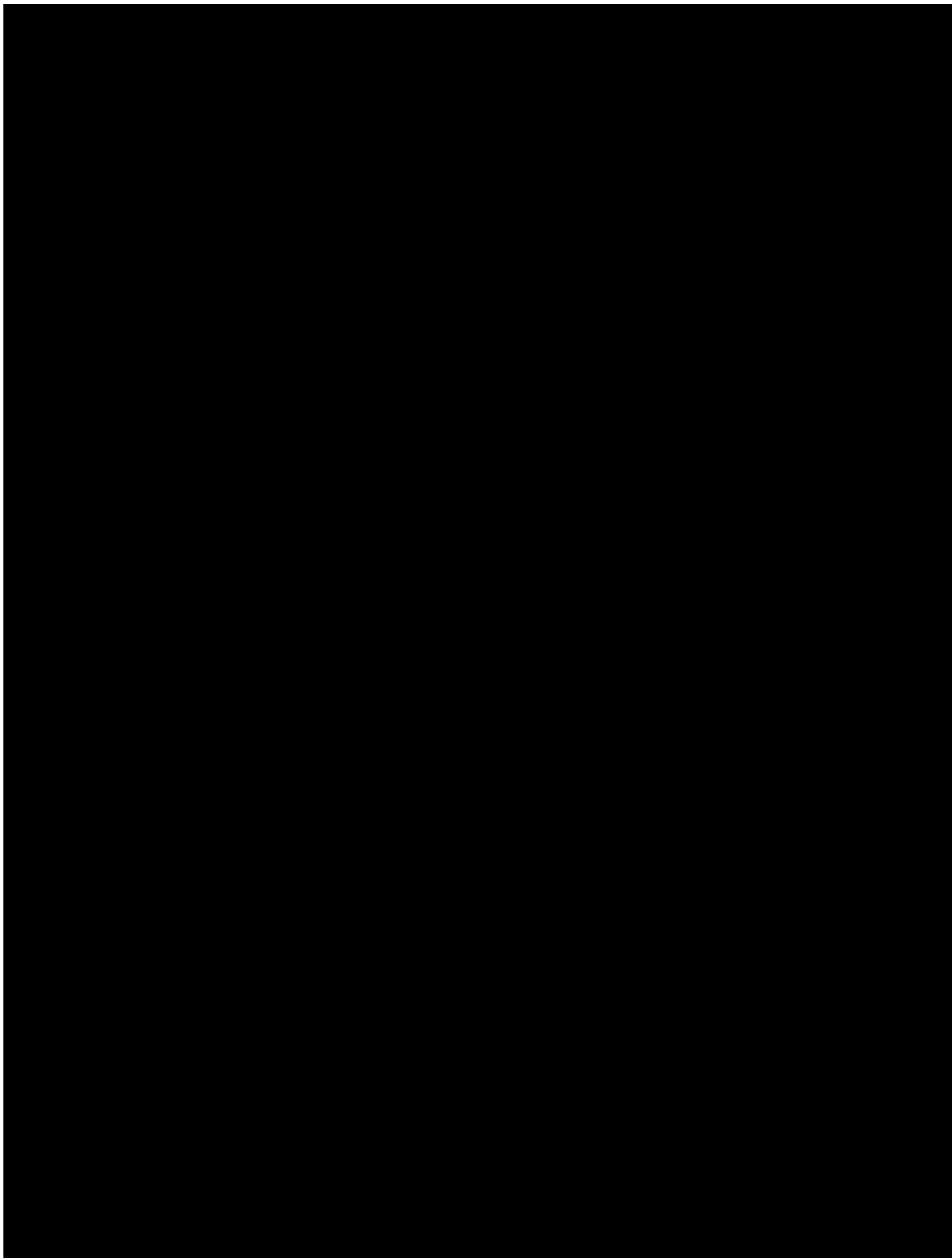




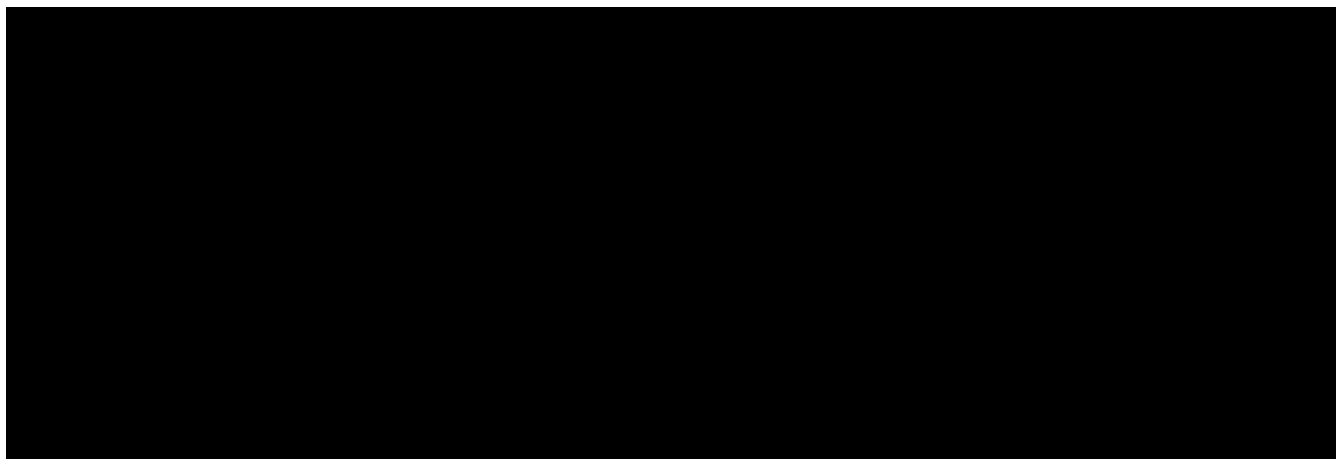
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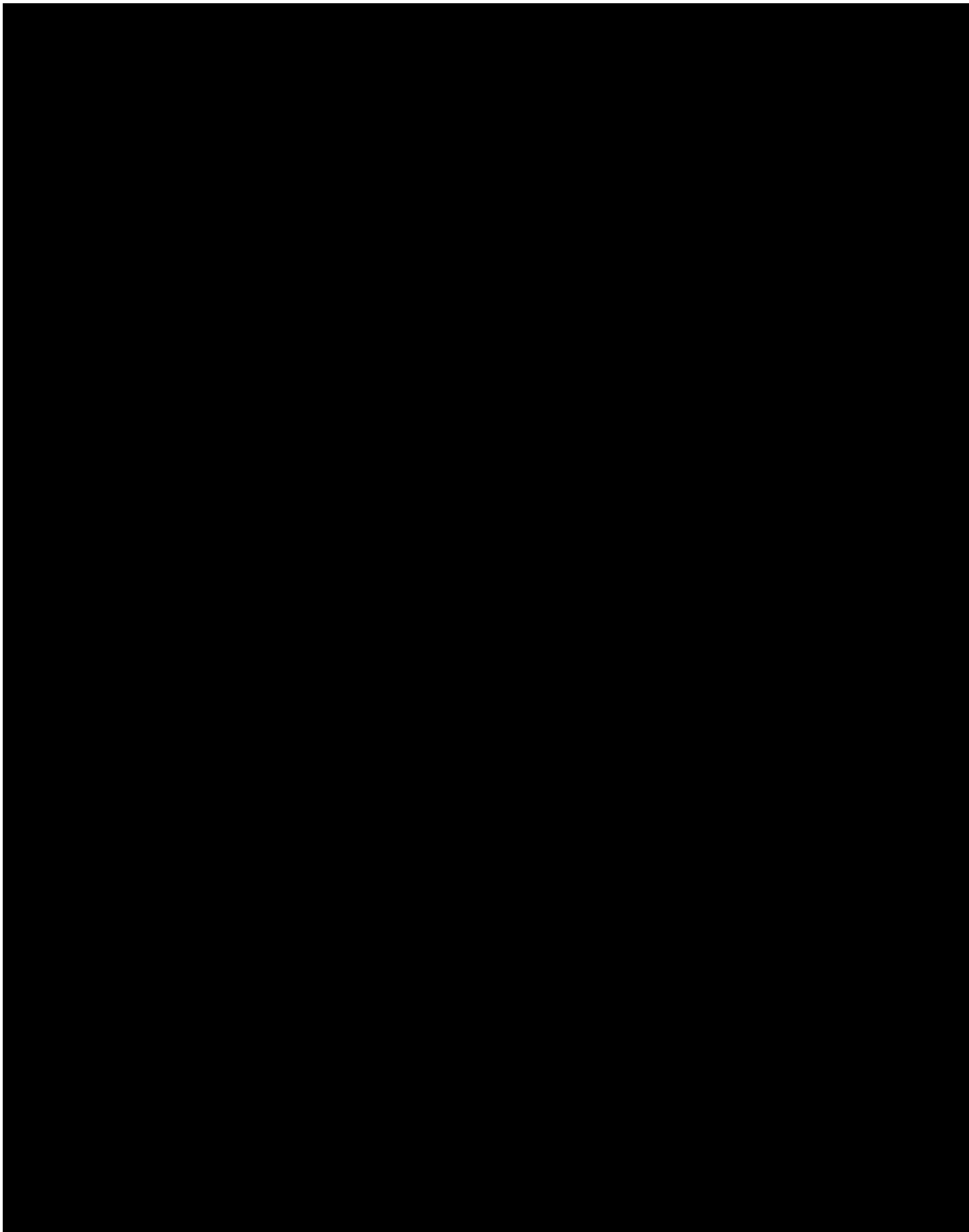
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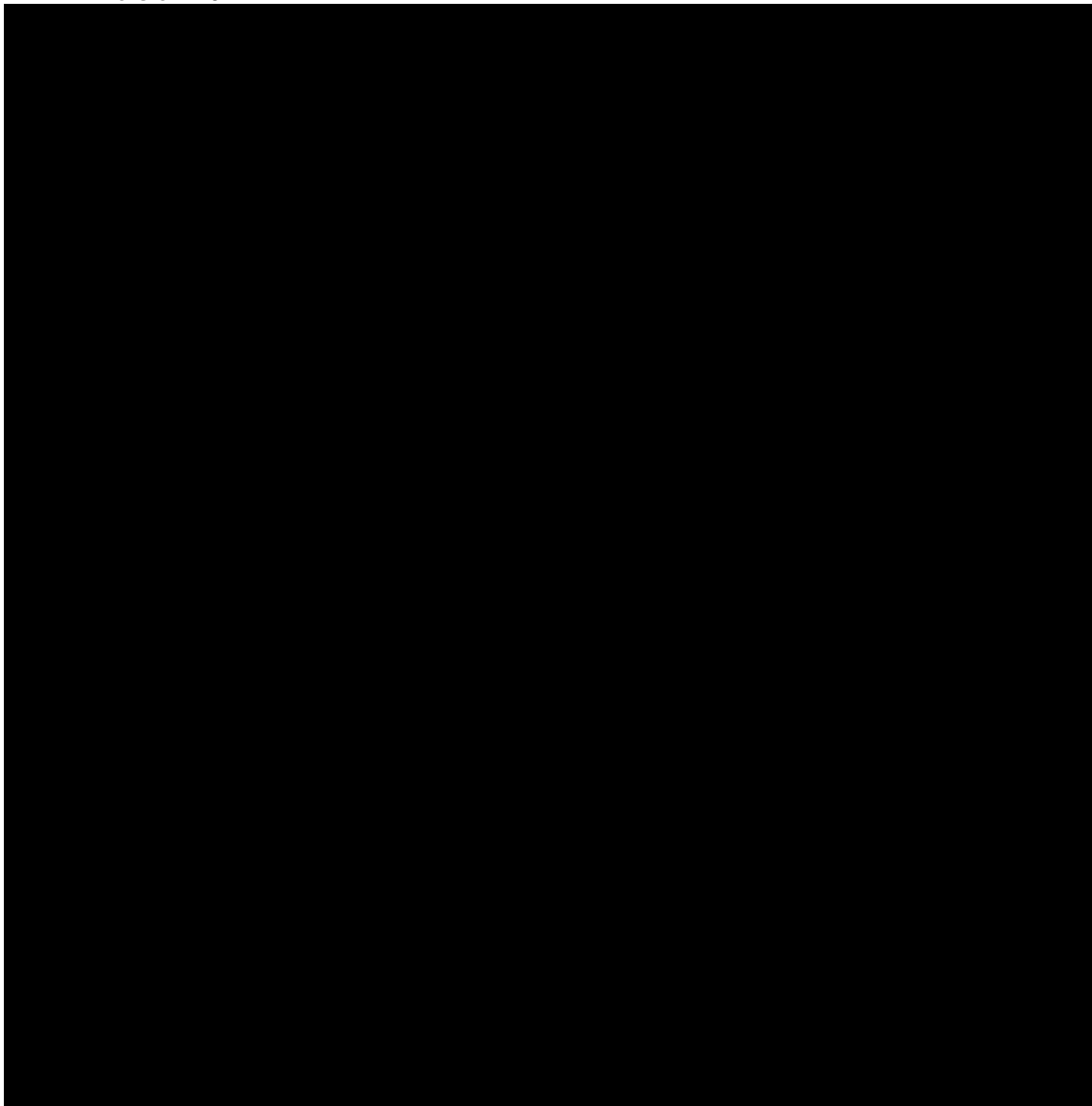


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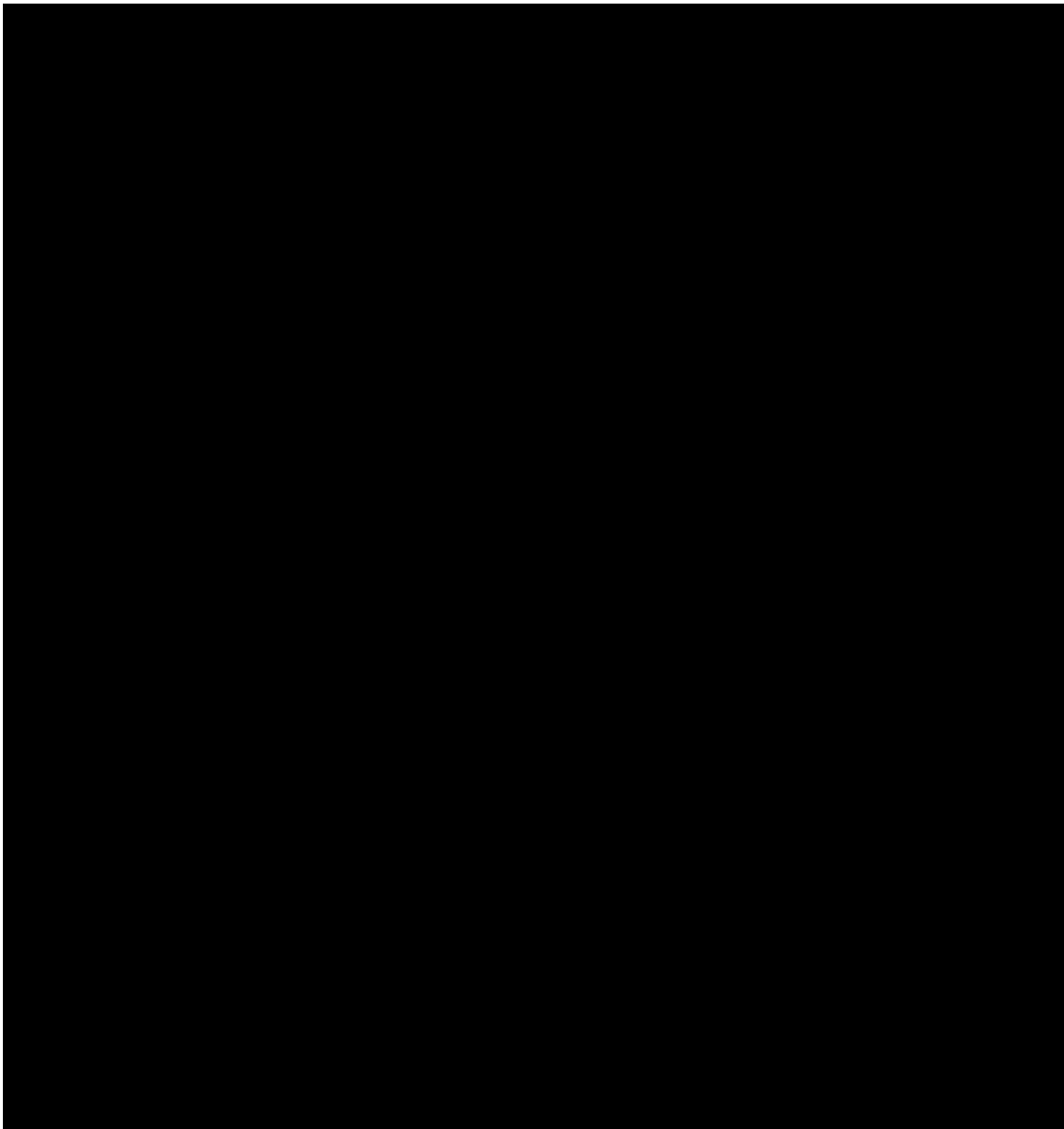


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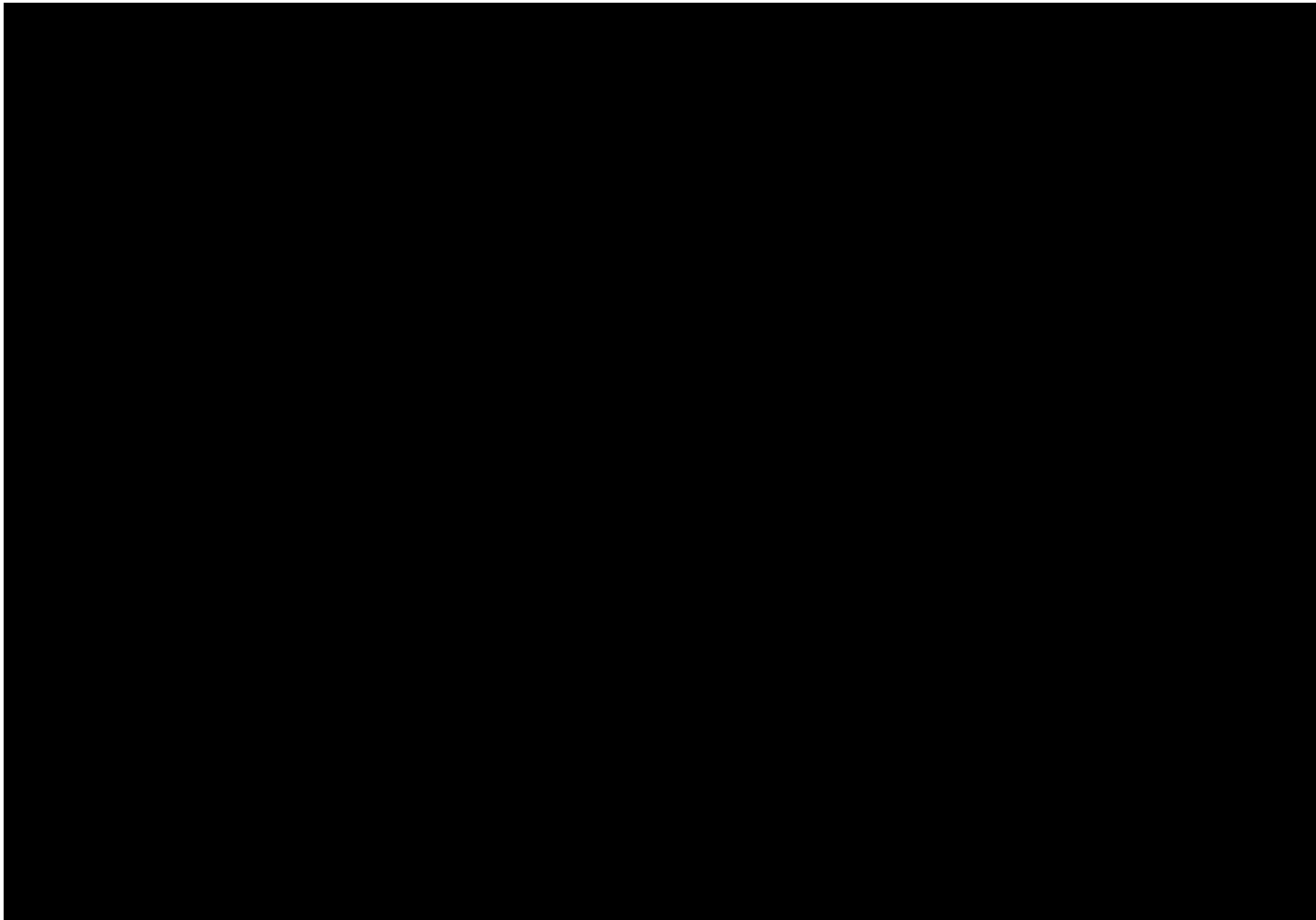


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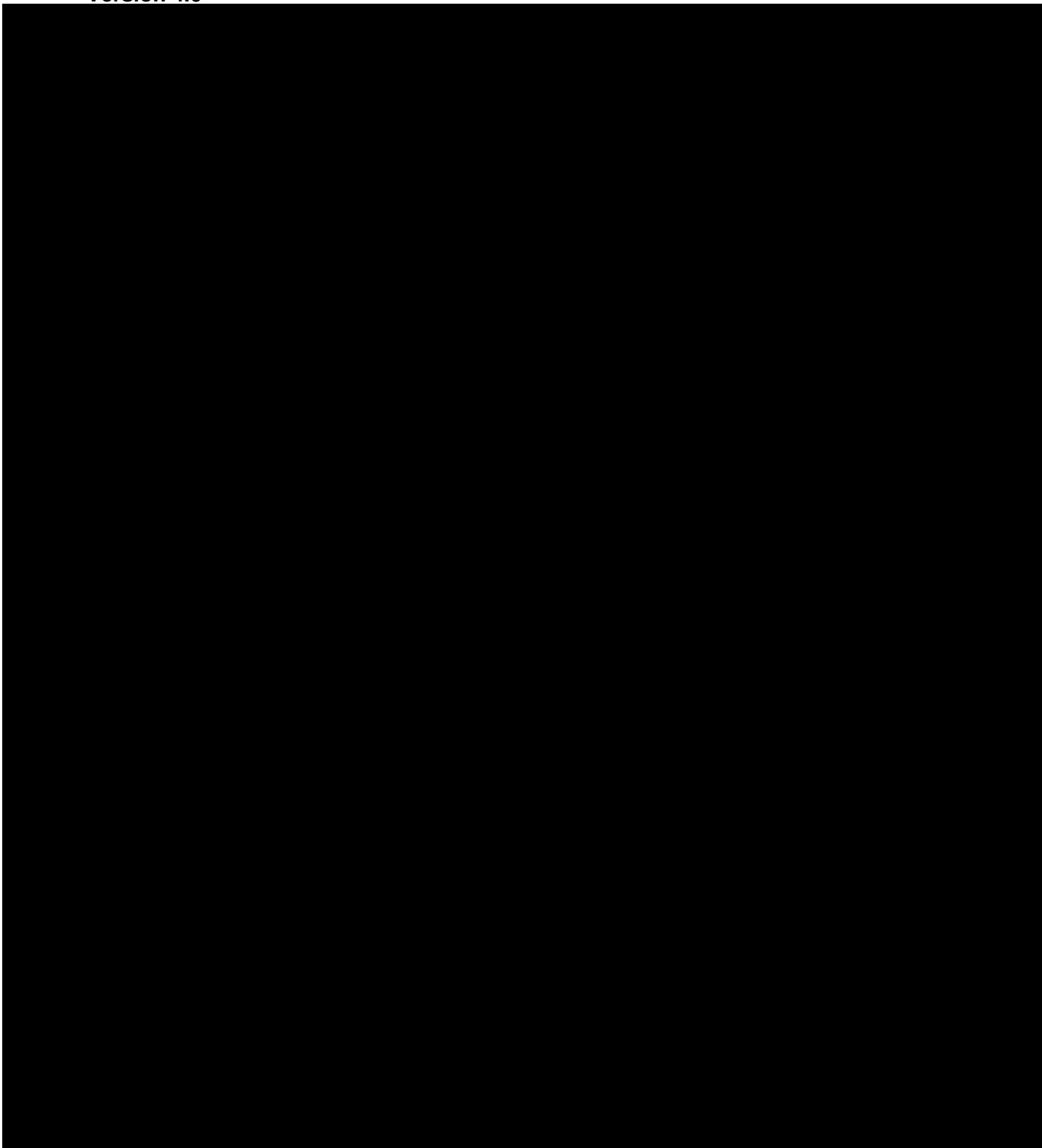
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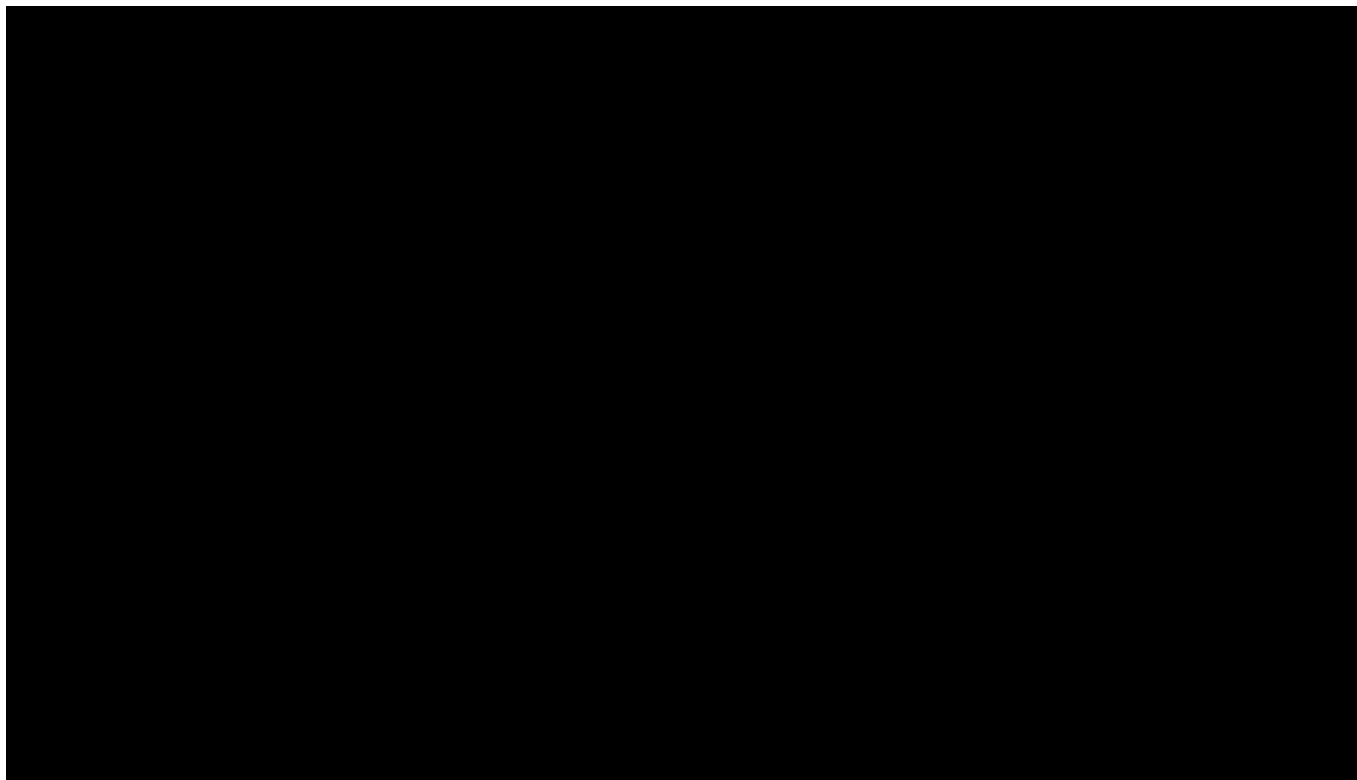
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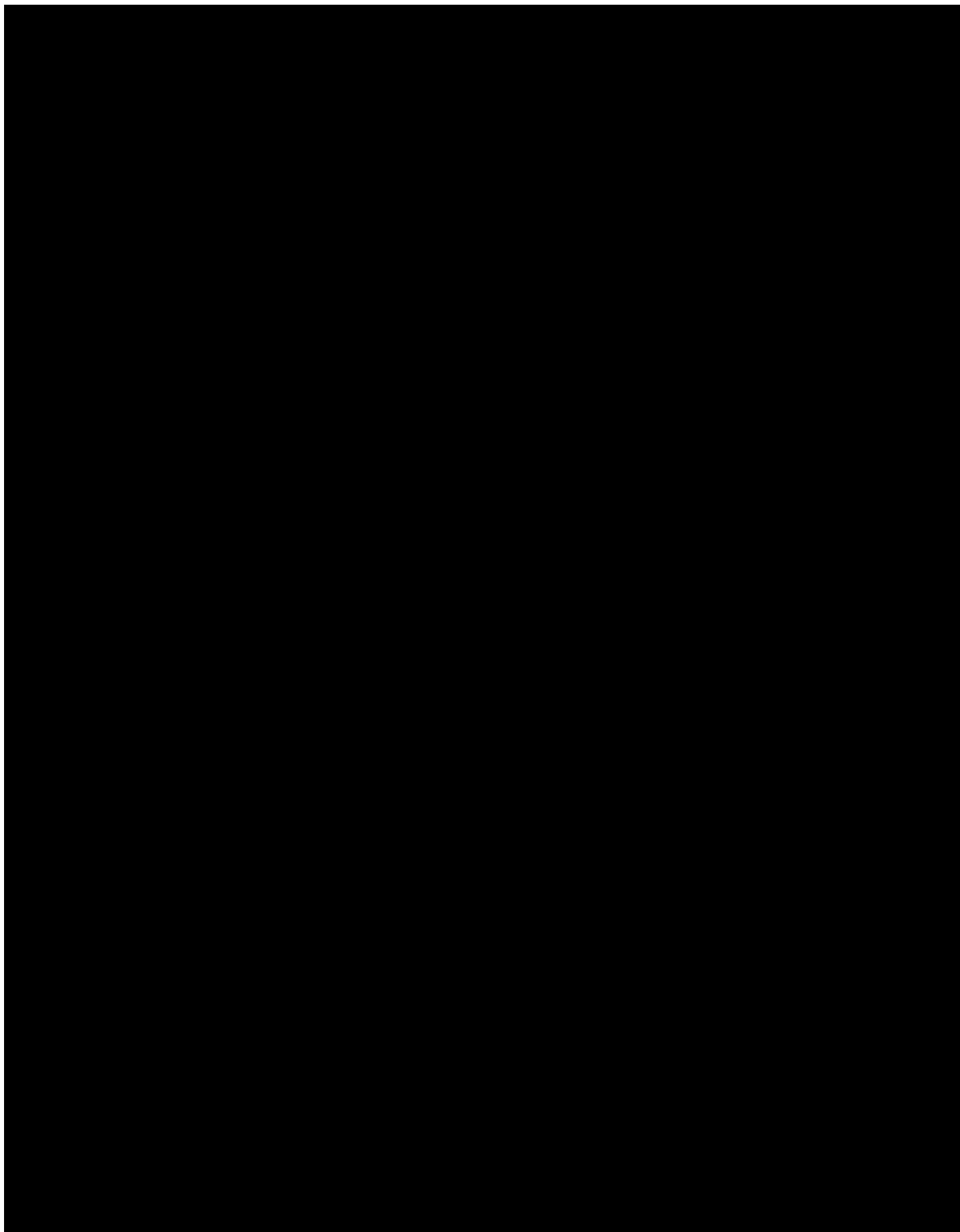


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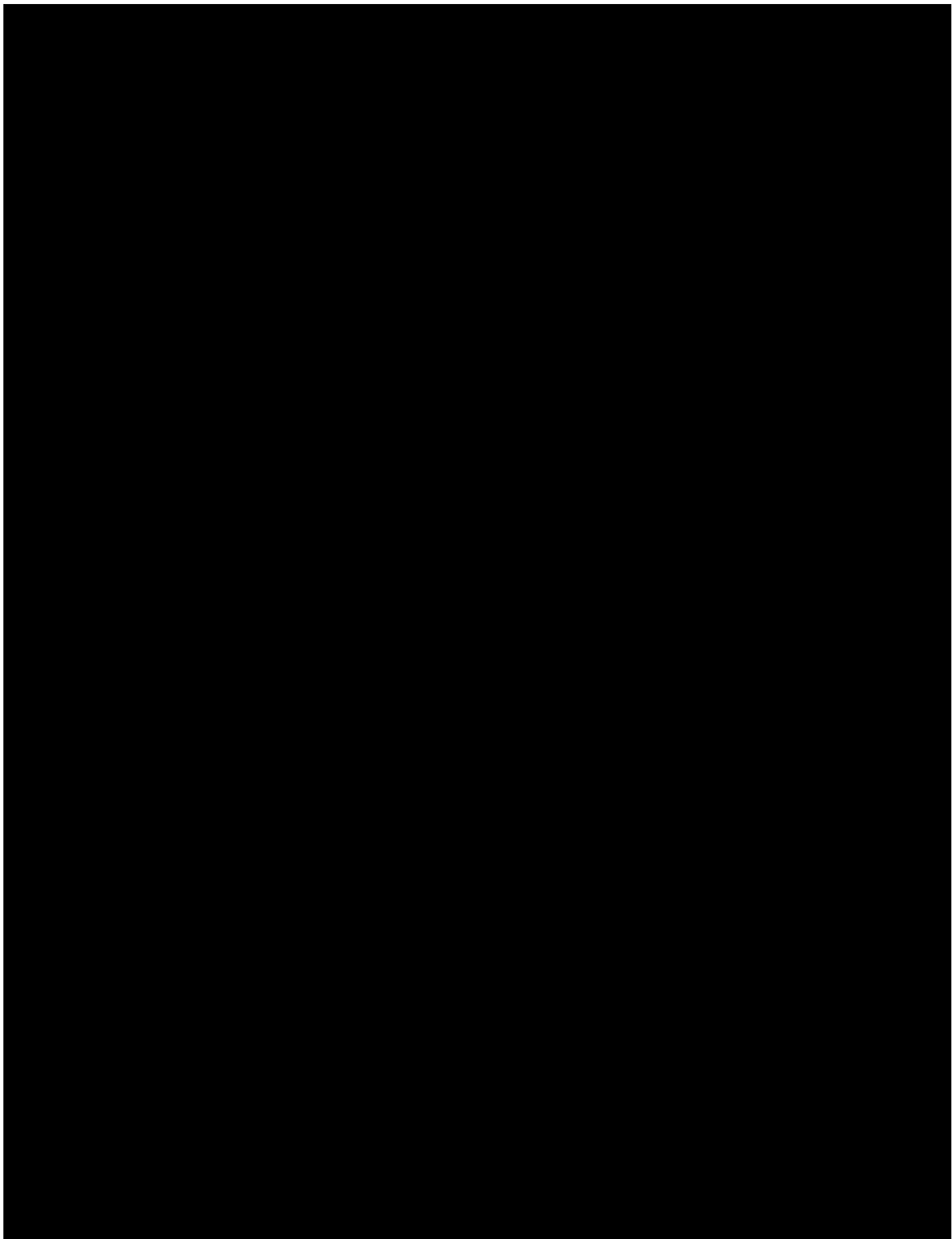




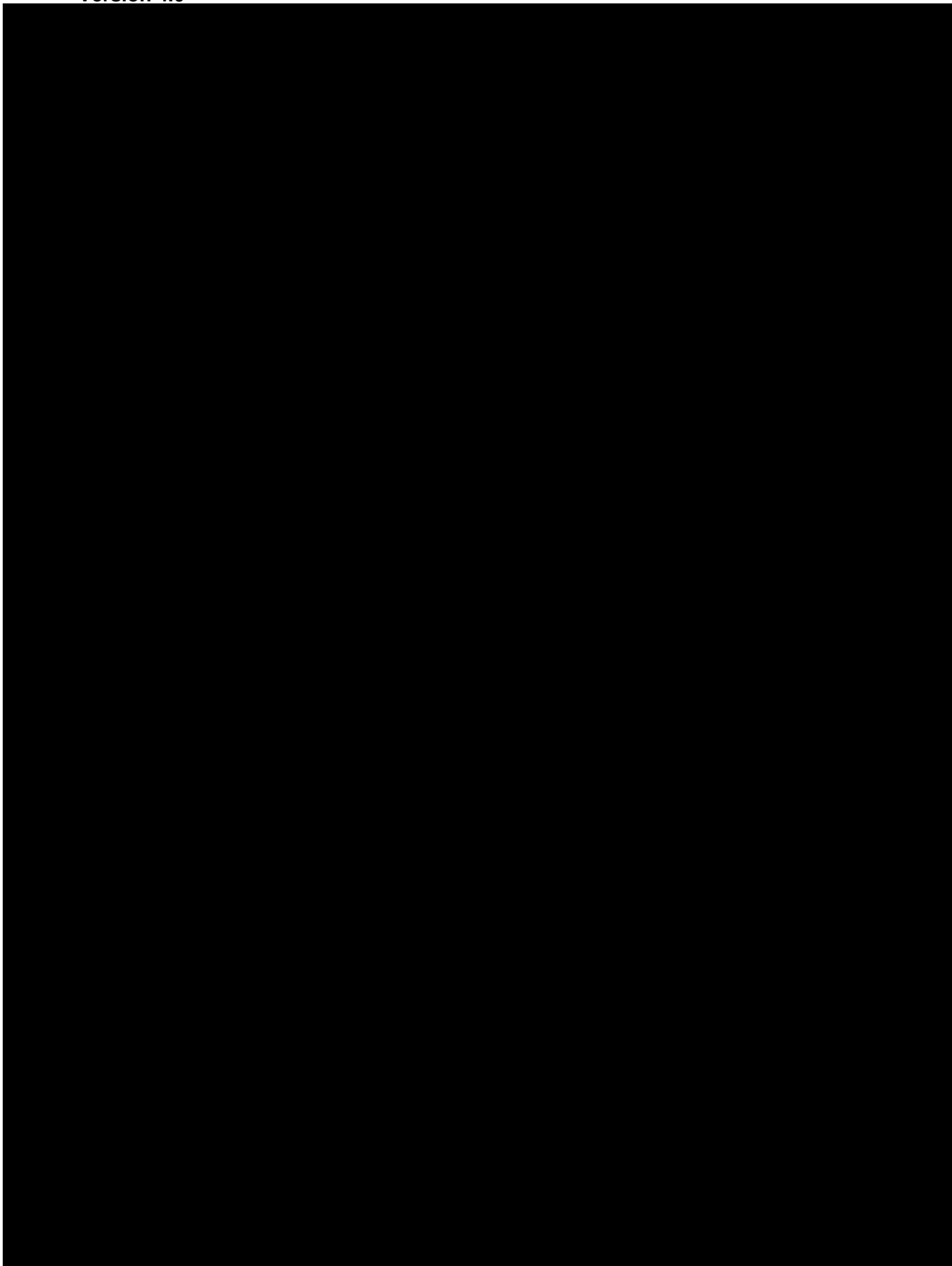
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**Version 4.0**



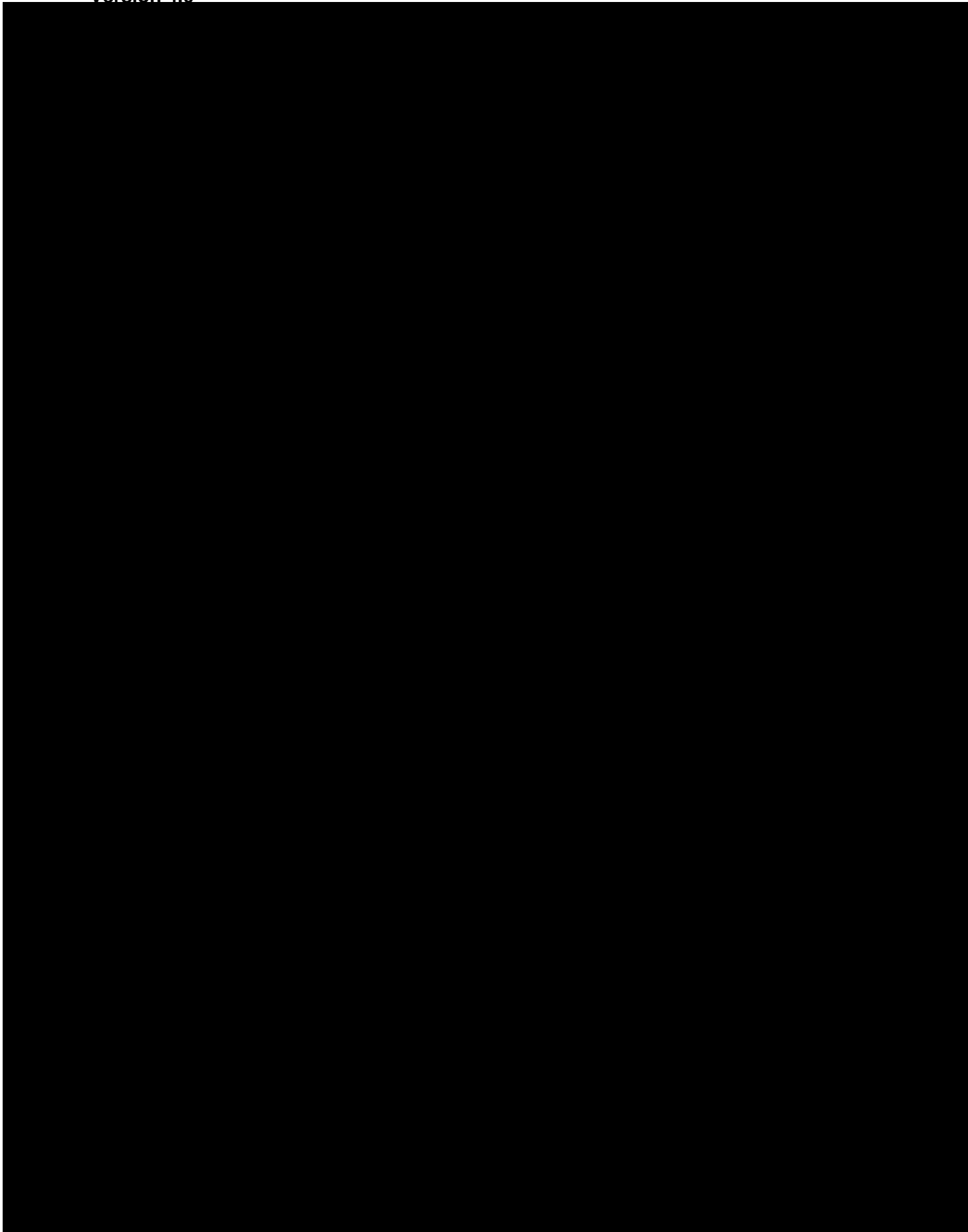
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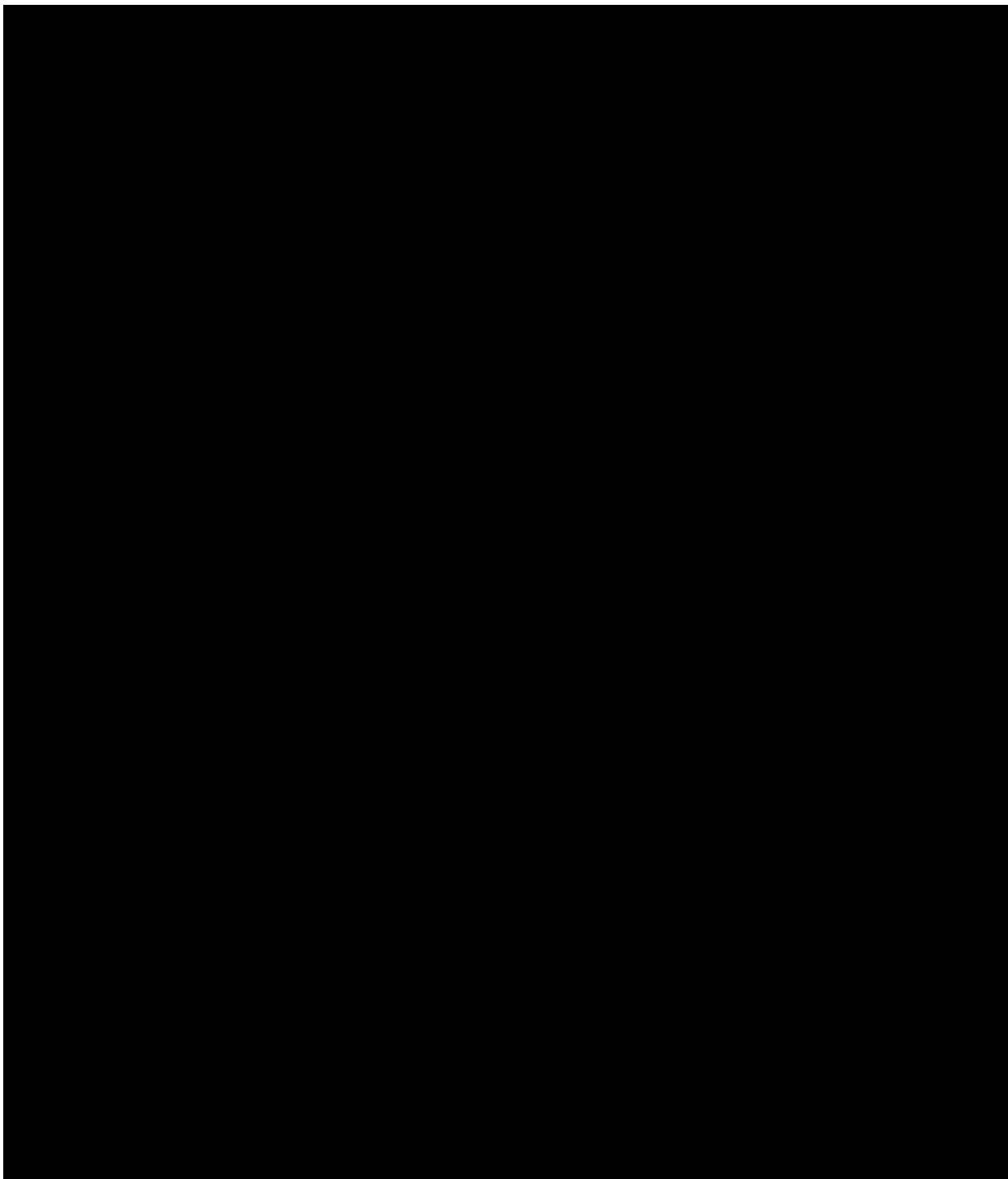
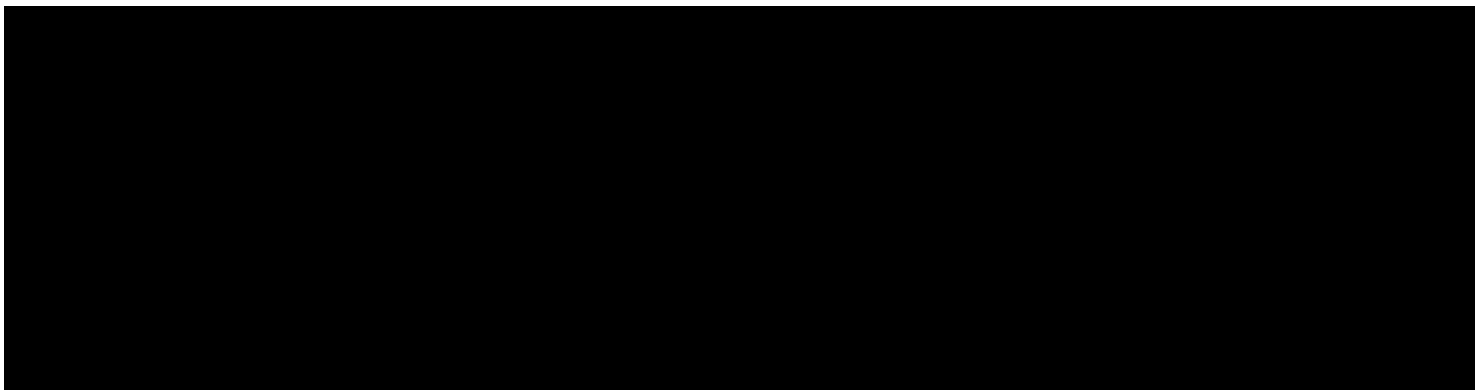
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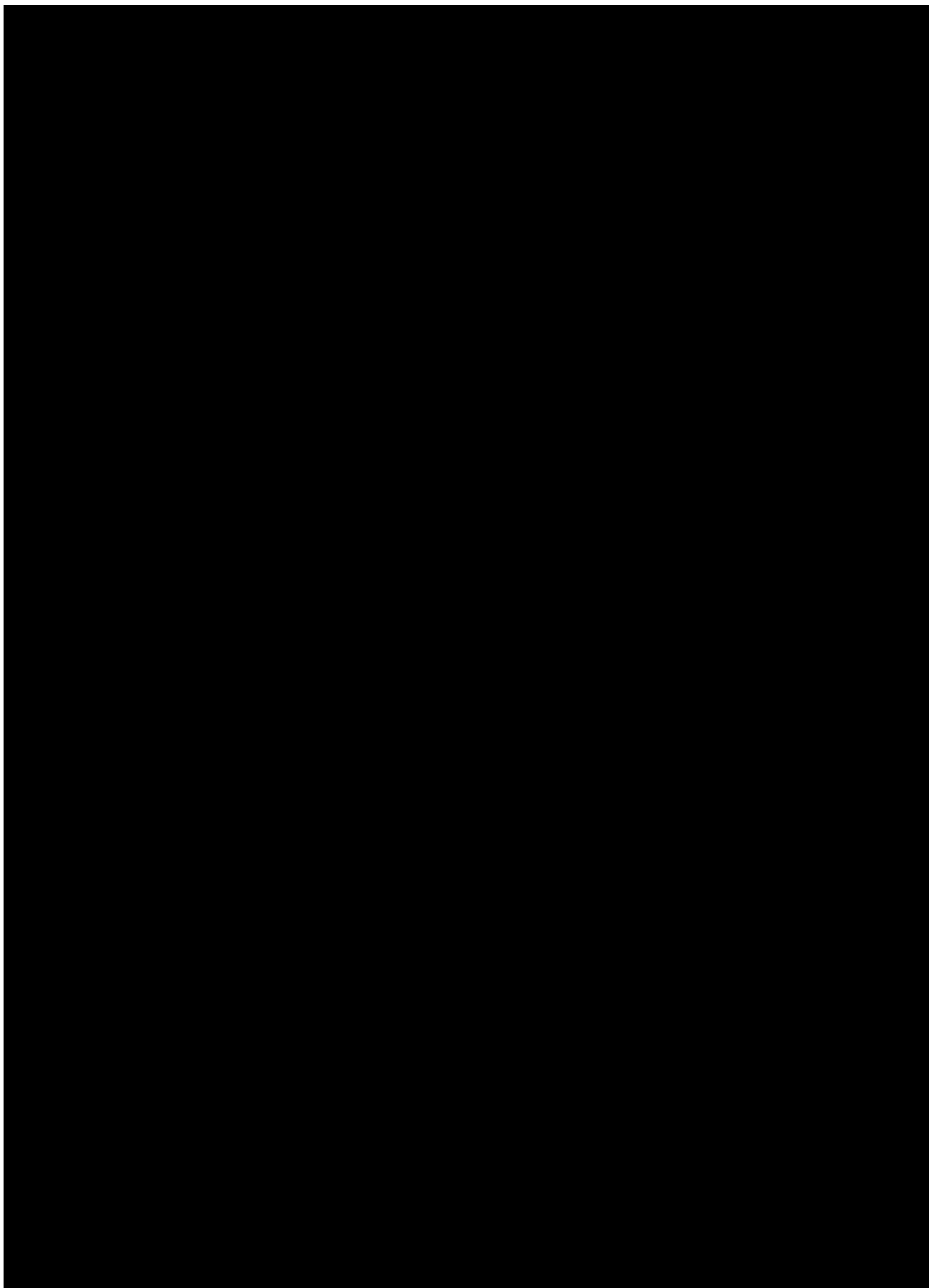
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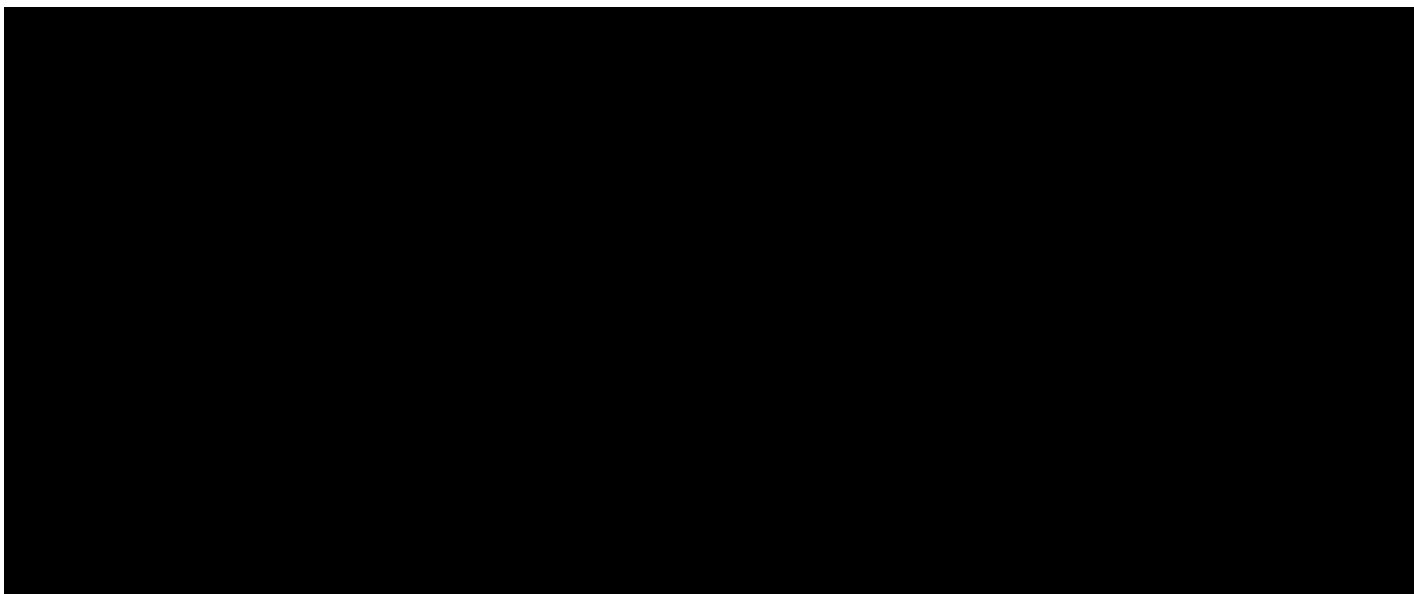
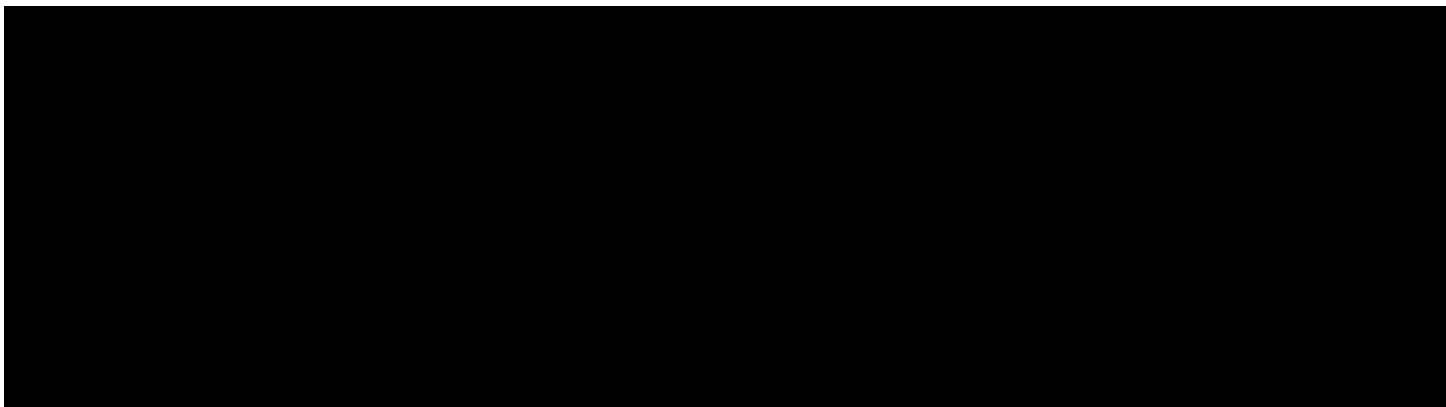


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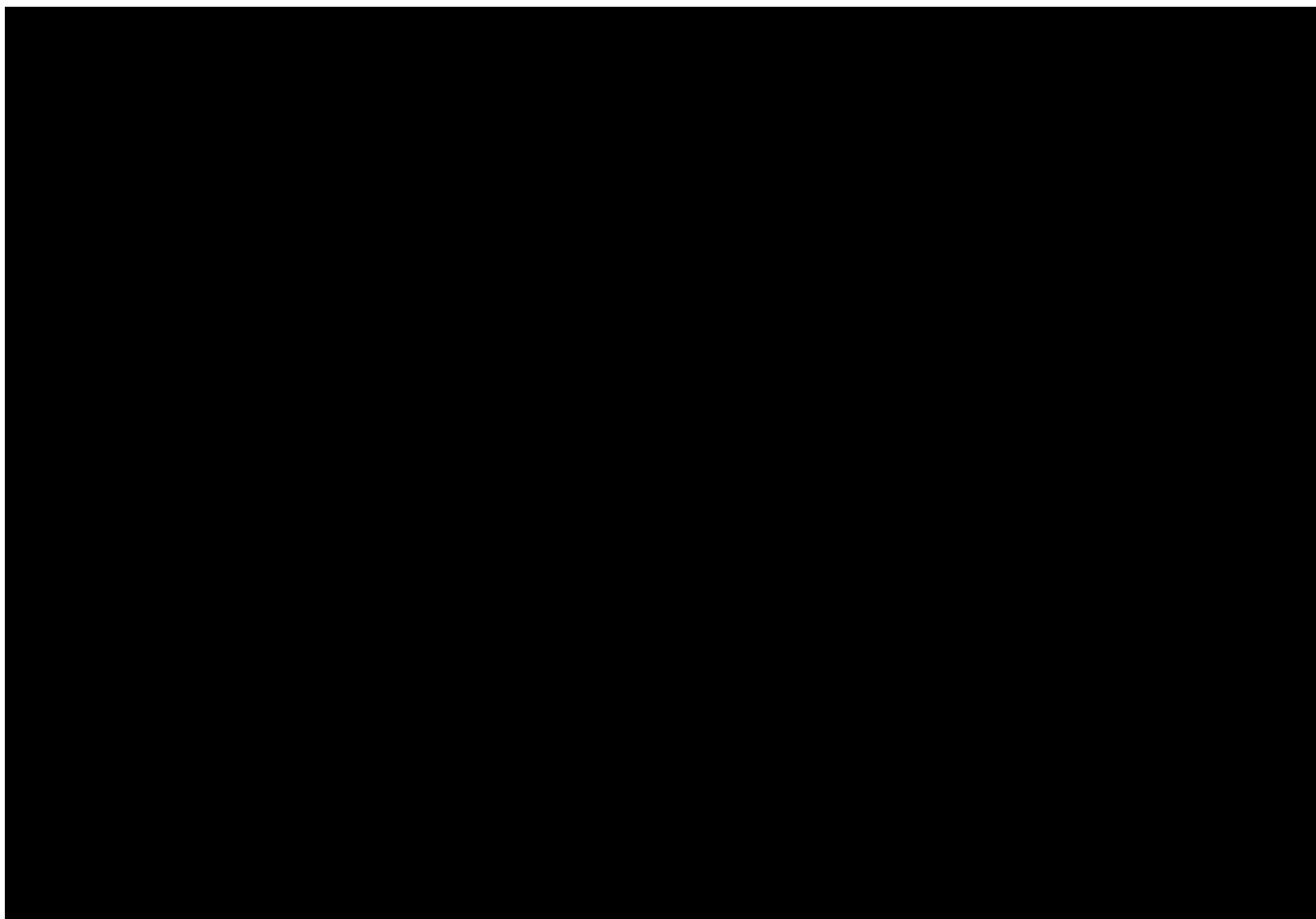
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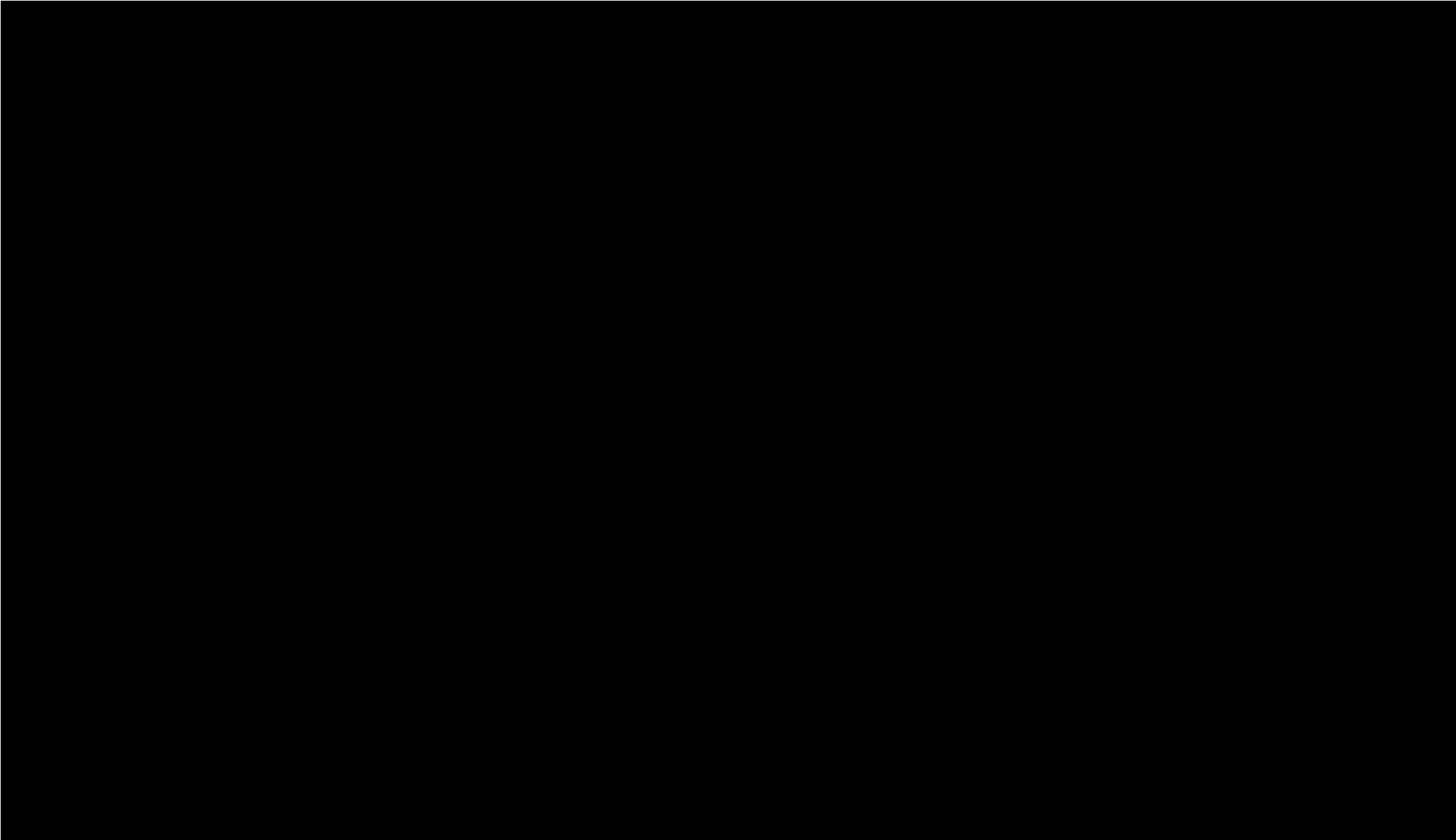




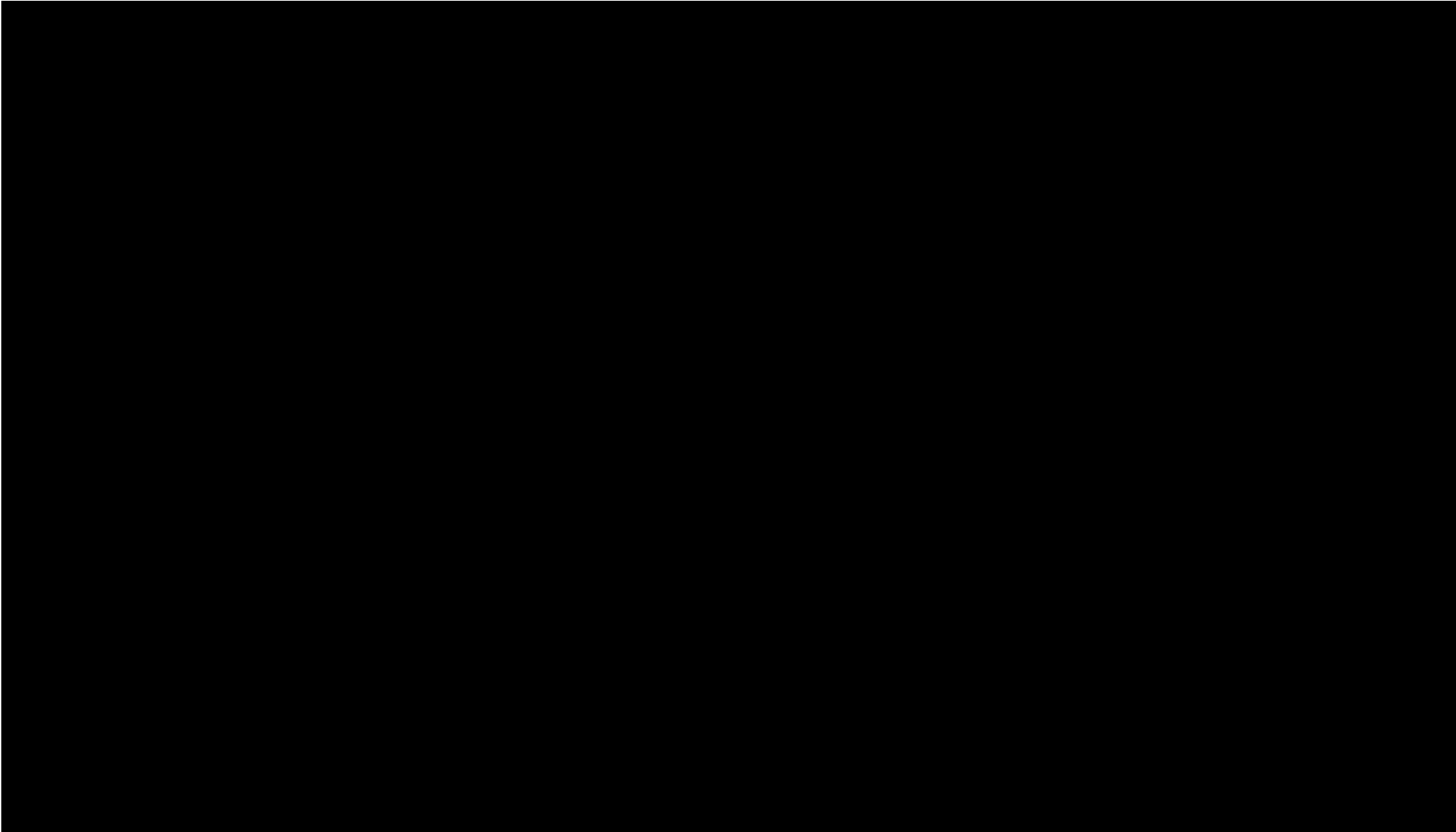
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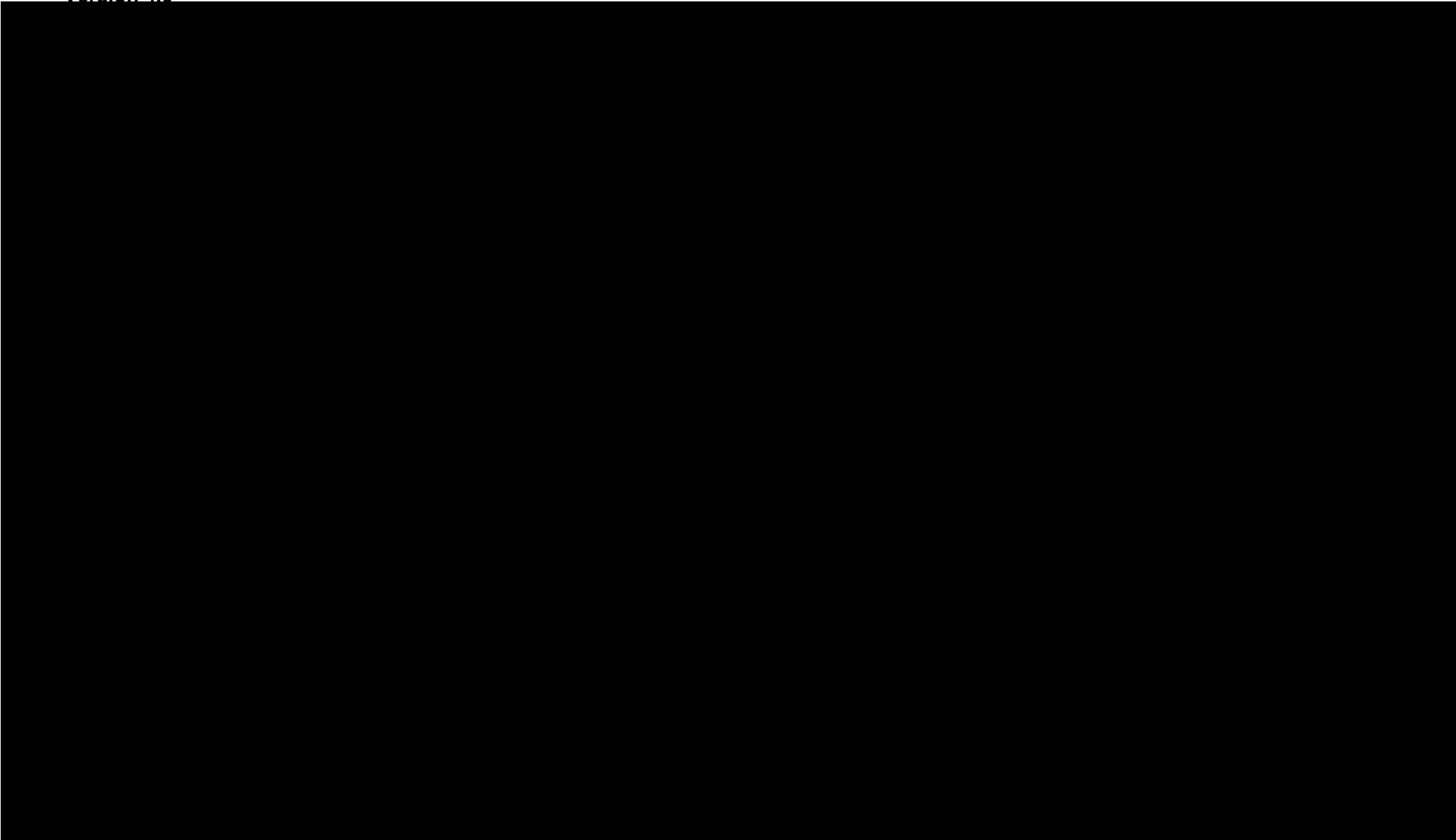


**SCHEDULE 15 (CHARGES AND INVOICING) ESMCP User Services**  
**Version 4.0**

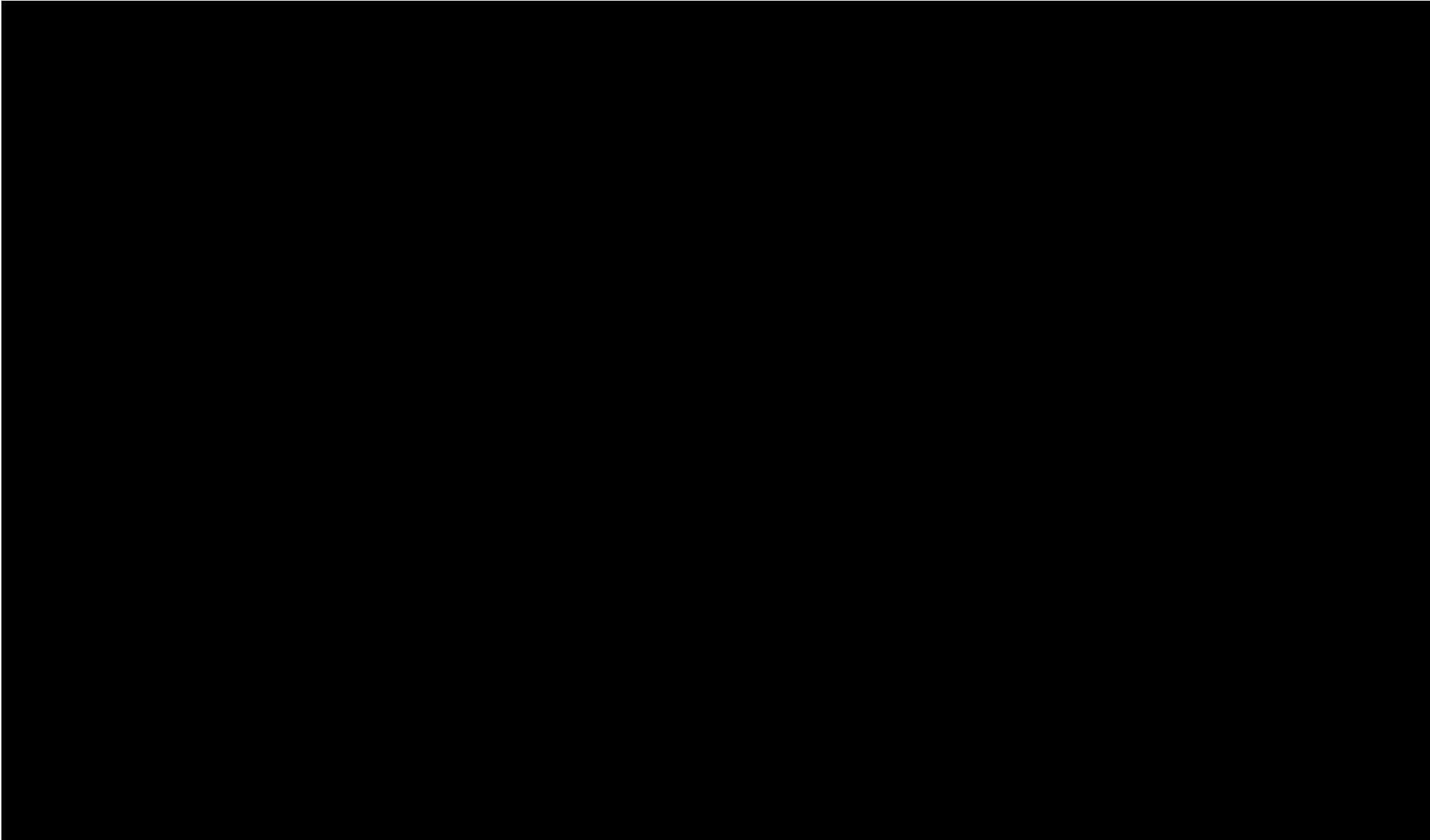


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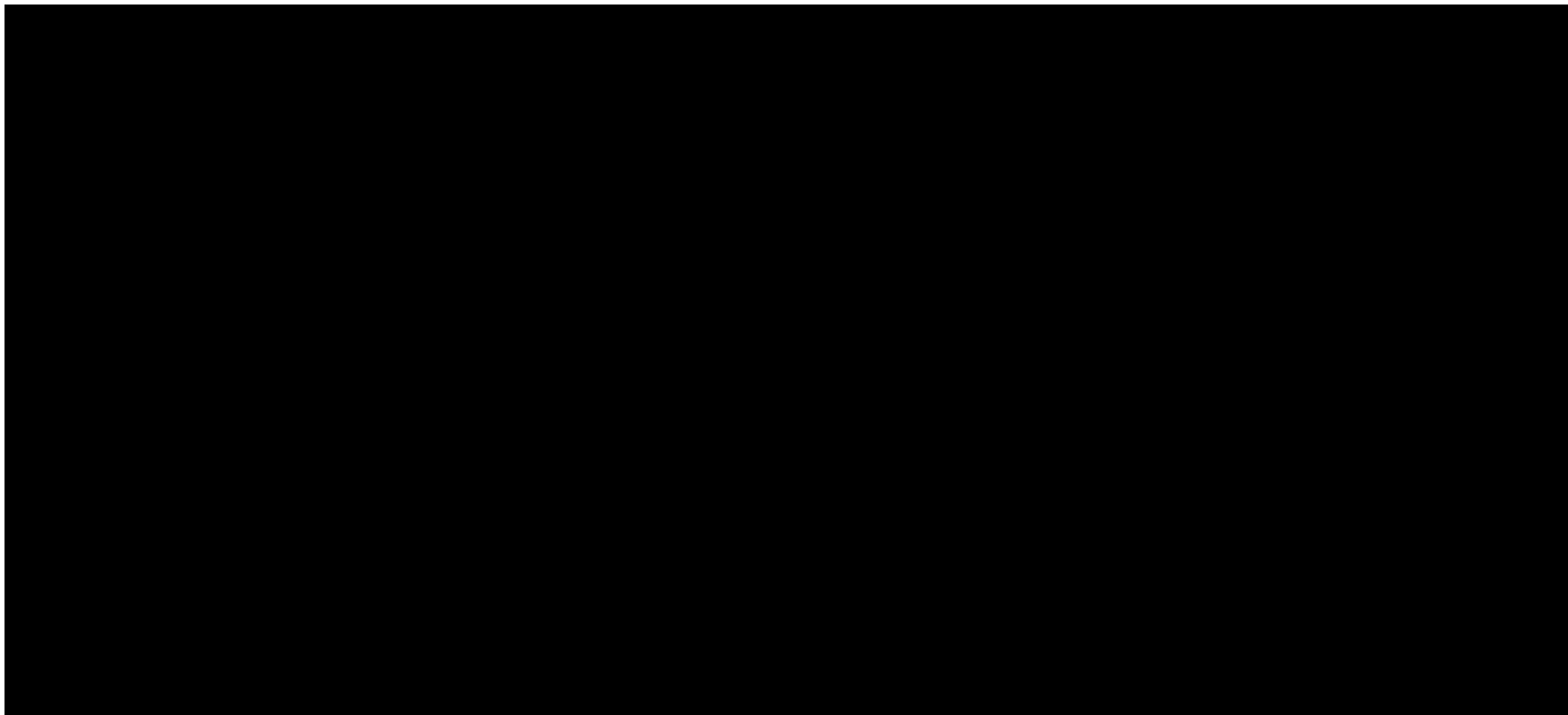
**SCHEDULE 15 (CHARGES AND INVOICING) ESMCP User Services**



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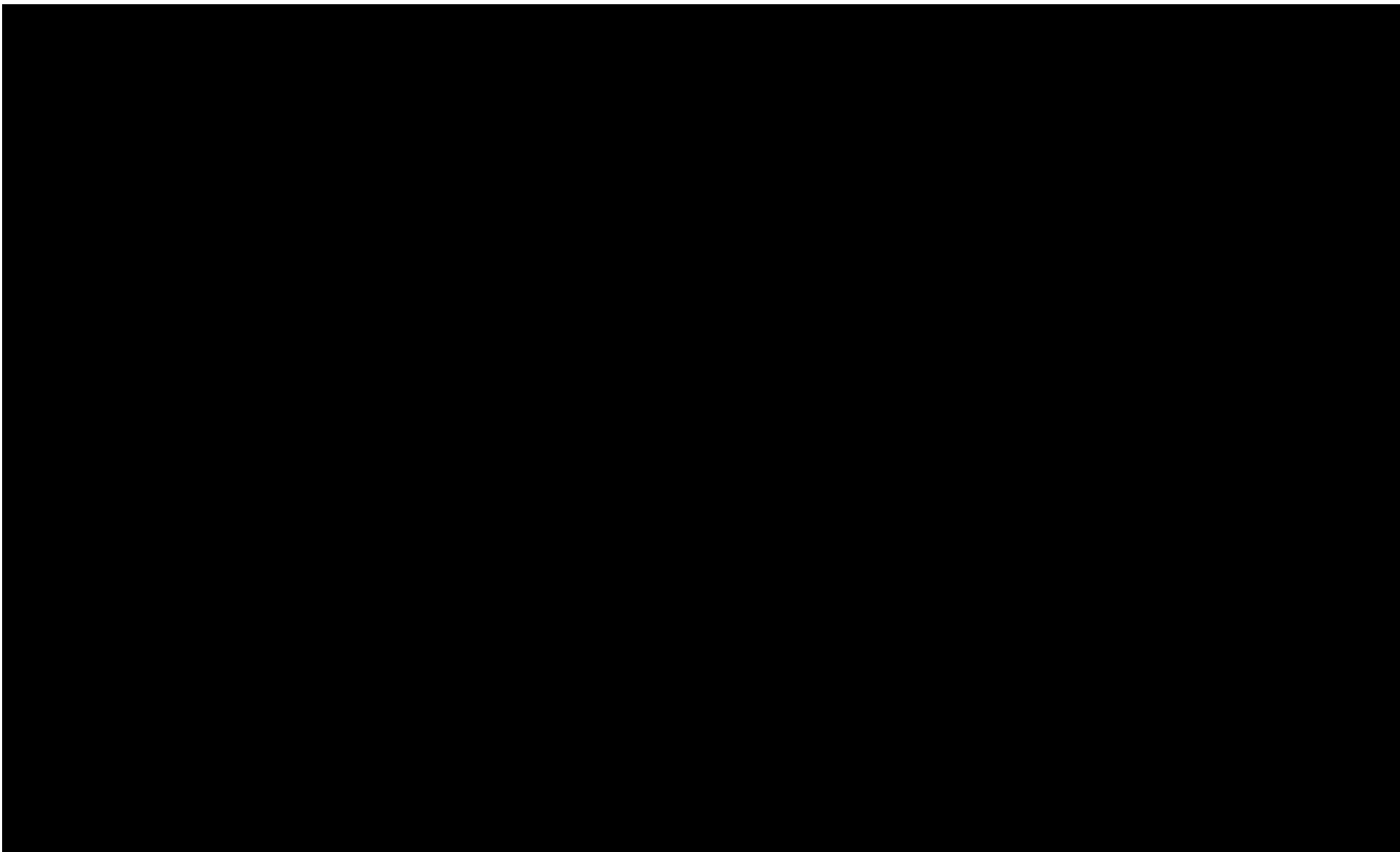
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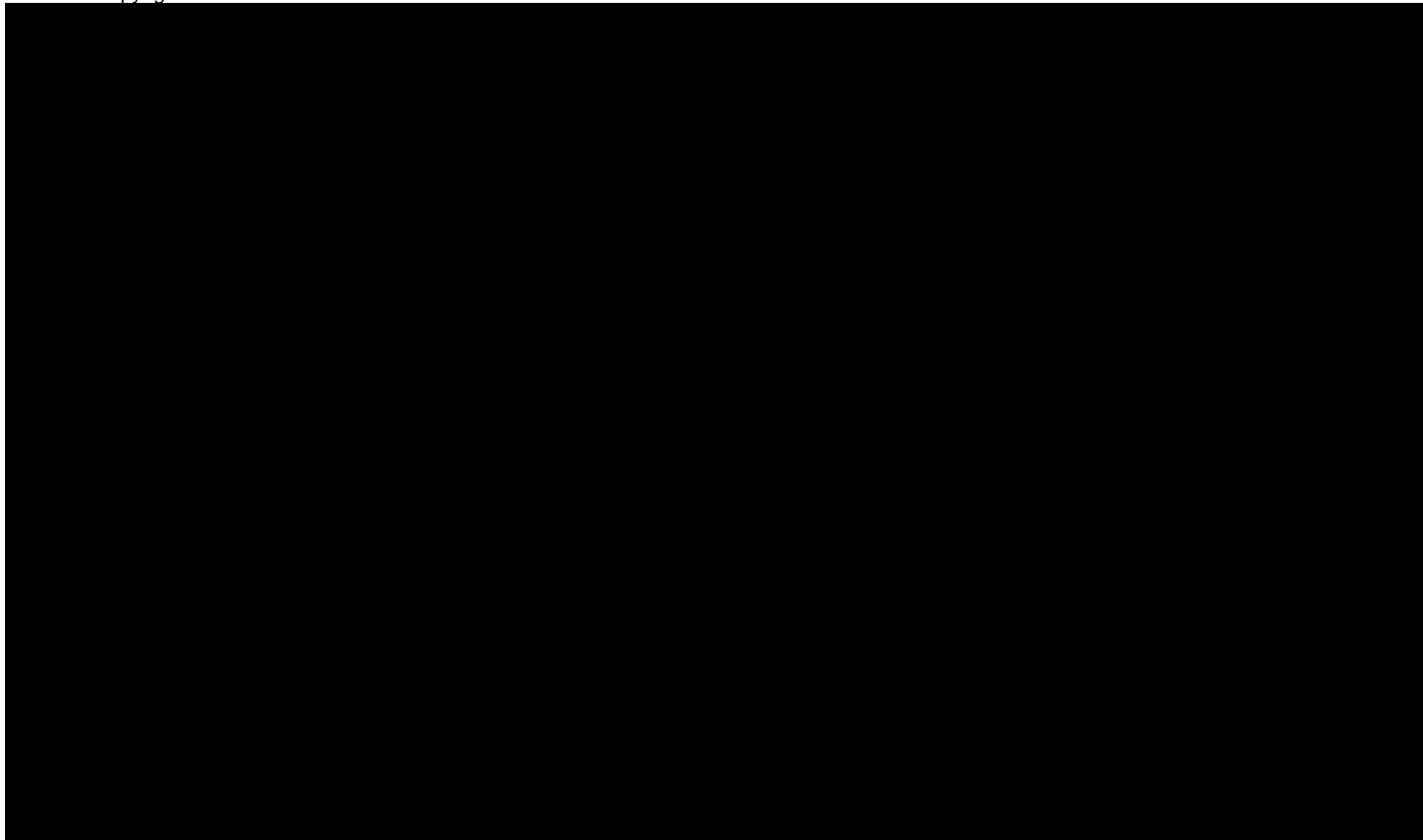




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