

52.241-7 Change in Rates or Terms and Conditions of Service for Regulated Services.

As prescribed in 41.501(d)(1), insert a clause substantially the same as the following:

Change in Rates or Terms and Conditions of Service for Regulated Services (Feb 1995)

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give * _____ written notice of (1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application and (2) any changes pending with the regulatory body as of the date of contract award. Such notice *shall* fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor *shall* forward to the *Contracting Officer* a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) *shall* not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor *shall* immediately provide a copy to the *Contracting Officer*. The Government *shall* not be bound to accept any new regulation inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service *shall* be made a part of this contract by the issuance of a *contract modification* unless otherwise specified in the contract. The effective date of the change *shall* be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

* Note: Insert language prescribed in 41.501(d)(1).

(End of clause)

Parent topic: 52.241 Utility Services Provisions and Clauses.