915.404-4740 Exceptions.

(a) For contracts not expected to exceed the threshold stated at 48 CFR 15.403-4(a)(1), the weighted guidelines need not be used; however, the contracting officer may use the weighted guidelines for contracts below this amount if he or she elects to do so.

(b) For the following classes of contracts, the weighted guidelines shall not be used—

- (1) Commercialization and demonstration type contracts;
- (2) Management and operating contracts;
- (3) Construction contracts;
- (4) Construction management contracts;
- (5) Contracts primarily requiring delivery of material supplied by subcontractors;
- (6) Termination settlements; and
- (7) Contracts with educational institutions.

(c) In addition to paragraphs (a) and (b) of this section, the contracting officer need not use the weighted guidelines in unusual pricing situations where the weighted guidelines method has been determined by the DOE negotiating official to be unsuitable. Such exceptions shall be justified in writing and shall be authorized by the Head of the Contracting Activity. The contract file shall include this documentation and any other information that may support the exception.

(d) If the contracting officer makes a written determination that the pricing situation meets any of the circumstances set forth in this section, other methods for establishing the profit objective may be used. For contracts other than those subject to subpart <u>917.6</u>, the selected method shall be supported in a manner similar to that used in the weighted guidelines (profit factor breakdown and documentation of profit objectives); however, investment or other factors that would not be applicable to the contract shall be excluded from the profit objective determination. It is intended that the methods will result in profit objectives for noncapital intensive contracts that are below those generally developed for capital intensive contracts.

Parent topic: Subpart 915.4—Contract Pricing