

### SUPPLY CONTRACT

# Option X29 Climate Change

| Identified and defined terms       | <b>X29</b><br>X29.1 | (1) The Climate Change Requirements are the requirements relating to climate change stated in the Scope.  |
|------------------------------------|---------------------|---|
|                                    |                     | (2) The Climate Change Plan is the <i>climate change plan</i> or is the latest climate change plan accepted by the <i>Supply Manager</i> . The latest climate change plan accepted by the <i>Supply Manager</i> supersedes previous Climate Change Plans.   |
|                                    |                     | (3) The Climate Change Partners are the people or organisations who contribute to the achievement of the Climate Change Requirements and are identified in the Climate Change Requirements.   |
|                                    |                     | (4) The Performance Table states the targets the <i>Supplier</i> is to achieve in Providing the Goods and Services and sets out the adjustment to payment if a measured performance is higher, the same or lower than its target. The Performance Table is the <i>performance table</i> unless later changed in accordance with the contract. |
| Collaboration                      | X29.2               | The <i>Supplier</i> collaborates with other Climate Change Partners as stated in the Climate Change Requirements.   |
| Early warning                      | X29.3               | The Supplier and the Supply Manager give an early warning by notifying the other as soon as either becomes aware of any matter which could adversely affect the achievement of the Climate Change Requirements.   |
| Climate change<br>plan             | X29.4               | (1) If a climate change plan is not identified in the Contract Data, the <i>Supplier</i> submits a first climate change plan to the <i>Supply Manager</i> for acceptance within the period stated in the Contract Data.   |
|                                    |                     | (2) The Climate Change Plan shows how the <i>Supplier</i> plans to meet the Climate Change Requirements.  |
|                                    |                     | (3) Within two weeks of the <i>Supplier</i> submitting a climate change plan for acceptance, the <i>Supply Manager</i> notifies the <i>Supplier</i> of the acceptance of the climate change plan or the reasons for not accepting it. A reason for not accepting a climate change plan is that  |
|                                    |                     | • it does not comply with the Climate Change Requirements or  |
|                                    |                     | • it will not allow the <i>Supplier</i> to Provide the Goods and Services.  |
|                                    |                     | (4) The Supplier submits a revised climate change plan to the Supply Manager for acceptance   |
|                                    |                     | • within the period for reply after the Supply Manager has instructed it to and   |
|                                    |                     | • when the <i>Supplier</i> chooses to.  |
| Disclosure                         | X29.5               | The Parties may use, disclose and publicise information relating to climate change as stated in and for the purposes stated in the Climate Change Requirements.   |
| Acceleration and accepting Defects | X29.6               | Quotations for acceleration and accepting Defects include any proposed changes to the Performance Table.  |
|                                    |                     | If the quotation is accepted the <i>Supply Manager</i> changes the Performance Table accordingly.   |

© nec 2020 | neccontract.com X29 Climate Change | 1

## -nec<sup>4</sup>

| Notifying compensation events      | X29.7  | <ul> <li>(1) For compensation events notified by the Supply Manager that only affect the Performance Table, the Supply Manager instructs the Supplier to submit quotations if the event does not arise from a fault of the Supplier, at the time of the notification of the compensation event.</li> <li>(2) If the Supplier does not notify a compensation event within eight weeks of becoming aware that the event has happened, the Performance Table is not changed unless the event arises from the Supply Manager giving an instruction or notification or changing an earlier</li> </ul> |
|------------------------------------|--------|--|
|                                    |        | decision.  (3) If a compensation event notified by the <i>Supplier</i> only affects the Performance Table the <i>Supply Manager</i> notifies the <i>Supplier</i> that the event is a compensation event and includes in the notification an instruction to the <i>Supplier</i> to submit quotations unless the event   |
|                                    |        | <ul> <li>arises from a fault of the Supplier,</li> </ul>   |
|                                    |        | <ul> <li>has not happened and is not expected to happen,</li> </ul>  |
|                                    |        | <ul> <li>has not been notified within the timescales set out in these conditions of contract or</li> </ul>   |
|                                    |        | <ul> <li>is not one of the compensation events stated in the contract</li> </ul>   |
|                                    |        | in which case the <i>Supply Manager</i> notifies the <i>Supplier</i> that the Performance Table is not to be changed and states the reasons in the notification. The notification is issued within one week of the <i>Supplier's</i> notification of the compensation event.   |
| Quotations for compensation events | X29.8  | Quotations for compensation events include proposed changes to the Performance Table assessed by the <i>Supplier</i> .   |
| Assessing compensation events      | X29.9  | (1) A change to the Performance Table is assessed as the effect of the compensation event upon the targets, amounts and dates stated in the Performance Table.   |
|                                    |        | (2) The rights the <i>Purchaser</i> and the <i>Supplier</i> have in respect of a compensation event include the right to changes to the Performance Table.   |
|                                    |        | (3) A compensation event which is an instruction to change the Scope in order to resolve an ambiguity or inconsistency is assessed as if the Performance Table were for the interpretation most favourable to the Party which did not provide the Scope.   |
| Implementing compensation events   | X29.10 | When a compensation event is implemented the Performance Table is changed accordingly.   |
| Supplier's proposals               | X29.11 | (1) The <i>Supplier</i> may propose to the <i>Supply Manager</i> that the Scope is changed in order to reduce the impact of the creation, operation, maintenance or demolition of an asset on climate change.  |
|                                    |        | (2) If the <i>Supply Manager</i> is prepared to consider the change, the <i>Supplier</i> submits a quotation which comprises   |
|                                    |        | a detailed description,  |
|                                    |        | <ul> <li>an analysis of the reduction in the impact of the creation, operation, maintenance or<br/>demolition of an asset on climate change,</li> </ul>  |
|                                    |        | an analysis of the resulting risks to the <i>Purchaser</i> ,   |
|                                    |        | any changes to the Prices and Performance Table,   |
|                                    |        | a revised programme showing any changes to the Delivery Date.  |
|                                    |        | (3) The Supply Manager consults with the Supplier about a quotation. The Supply Manager replies within the period for reply. The reply is acceptance of the quotation or the reasons for not accepting it. The Supply Manager may give any reason for not accepting the quotation.   |
|                                    |        |  |

2 | X29 Climate Change neccontract.com | © nec 2020



- (4) The *Supply Manager* does not change the Scope as proposed by the *Supplier* unless the *Supplier's* quotation is accepted.
- (5) When a quotation to reduce the impact of the creation, operation, maintenance or demolition of an asset on climate change is accepted the *Supply Manager* changes the Scope, the Prices, the Performance Table and the Delivery Date accordingly and accepts the revised programme. The change to the Scope is not a compensation event.

## Performance measurements

X29.12

- (1) From the *starting date* until Delivery of the whole of the *goods* and *services*, the *Supplier* reports to the *Supply Manager* its performance against the targets in the Performance Table. Reports are provided at the intervals stated in the Performance Table.
- (2) If the *Supplier's* performance against a target in the Performance Table is not achieving or is forecast not to achieve the performance target stated, it submits to the *Supply Manager* for acceptance its proposals for improving performance.

A reason for not accepting the proposals is that they will not provide the improvement in performance needed to achieve the target in the Performance Table.

- (3) At the dates stated in the Performance Table.
- if the relevant performance does not meet the target stated in the Performance Table, the *Supplier* pays the amount stated in the Performance Table,
- if the relevant performance exceeds or meets the target stated in the Performance Table, the *Supplier* is paid the amount stated in the Performance Table.
- (4) Information in the Performance Table is not Scope.

## Limitation of liability

X29.13

If secondary Option X18 applies, an excluded matter is the amounts stated in the contract as payable by the *Supplier* in accordance with the Performance Table.

© nec 2020 | neccontract.com X29 Climate Change | 3



#### **CONTRACT DATA – PART ONE**

#### **X29 Climate change** If Option X29 is used The performance table is in The period after the Contract Date within If no climate change plan is identified in part two of the which the *Supplier* is to submit a first Contract Data climate change plan for acceptance is **CONTRACT DATA – PART TWO X29 Climate change** If Option X29 is used If a climate change plan is The climate change plan identified in the to be identified in the Contract Data is Contract Data

X29 Climate Change neccontract.com | © nec 2020