TENDER DATA ITEM DESCRIPTION

1. DID NAME: TDID-FIN-LCC-TLCCM-V5.3
2. TITLE: TENDER LIFE CYCLE COST Model (TLCCM)
3. DESCRIPTION and intended use

The Tender Life Cycle Cost Model (TLCCM) provides:

the details associated with the tendered Life Cycle Cost (LCC) model, and

the data files for the LCC model.

The Commonwealth will use the TLCCM to evaluate the total cost of ownership and associated LCC risks and drivers for the tenderer’s proposed solutions for the Mission System and Support System.

1. INTER-RELATIONSHIPS

The TLCCM inter-relates with other tender data requirements, including:

Financial (Annex D);

Project Strategies and Experience (Annex E); and

Solution Description (Annex F).

1. Applicable Documents

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| 1. Nil. |  |

1. Preparation Instructions
   1. Generic Format and Content

The data item shall comply with the general format, content and preparation instructions contained in the Draft CDRL clause entitled ‘General Requirements for Data Items’.

* 1. Specific Content
     1. General

The TLCCM shall provide sufficient detail to enable the Commonwealth to understand the LCC model developed by the tenderer.

Note to drafters: The software tool or software, which the tenderer is required to utilise to develop its LCC Model, needs to be inserted into the following clause.

The LCC data files shall be in a format required by the selected LCC software package.

The content of the LCC data files shall be as tailored at annex A to this TDID.

* + 1. LCC Model Development

The TLCCM shall describe the LCC model that has been developed by the tenderer as part of its tender response, including:

definitions of all terms, acronyms, and model parameters used;

any assumptions underpinning, or limitations with, the LCC model, including:

the scope of the Mission System that has been modelled, including the indenture level of the physical build structure for the Mission System;

the modelling of the operational concepts and the Life-of-Type (LOT) for the Mission System (as documented in the Operational Concept Document (OCD));

the modelling of Software life-cycle costs; and

the modelling of the Support System; and

the input data used to build the LCC model, including:

the source of the data;

the date that the data was first generated;

if the data is an estimate, the nature of the estimate;

the source currency of the cost data and the exchange rates utilised to bring the cost data into a common currency;

the base year of each cost element and the factors utilised to bring each cost element into a common base year; and

the justification for the use of the data. Examples of the data that should be justified include cost data, Turn-Around Time (TAT) data, Administration and Logistics Delay Time (ALDT) data, and reliability and maintainability data.

* + 1. LCC Analysis and Recommendations

The TLCCM shall describe the outcomes of LCC analysis activities that have been undertaken by the tenderer, including details of:

the LCC drivers that have been identified, and

the analyses of these LCC drivers that have been undertaken.

The TLCCM shall describe any proposed alternatives for either the Mission System or the Support System (or both) that:

address the identified LCC drivers; or

reduce LCC.

These alternatives may be presented as Tenderer Initiated Options (TIOs) if a change to the tendered price is involved; however, the financial information associated with these TIOs shall be provided in the Financial Volume of the tender response.

Note to tenderers: The intent of the preceding clause is to capture those alternatives that could increase the Contract price or the Contract (Support) price (or both), but which reduce the overall LCC. The Commonwealth envisages that, where the tenderer is selected to participate in refining its offer, the alternatives identified by the tenderer will be addressed in consultation with the Commonwealth to enable any agreed alternatives to be included in a resultant Contract.

* + 1. LCC Model

The TLCCM shall include the LCC data files for the LCC model in a form that does not require the Commonwealth to separately key the LCC data into the LCC modelling software specified in clause 6.2.1.2 of this TDID.

Annex:

Project-specific LCC Model Requirements

PROJECT-SPECIFIC LCC MODEL REQUIREMENTS

Note to drafters: This section should detail any requirements, including project-specific definitions and default parameters, which each tenderer is to utilise in developing its LCC Model. In general, this annex should specify requirements with respect to each parameter in the tool or software used to compile the LCC Model), such that the Commonwealth can undertake an ‘apples-to-apples’ tender evaluation of LCC.