Subpart 217.75 - ACQUISITION OF REPLENISHMENT PARTS

Parent topic: Part 217 - SPECIAL CONTRACTING METHODS

217.7500 Scope of subpart.

This subpart provides guidance on additional requirements related to acquisition of replenishment parts.

217.7501 Definition.

“Replenishment parts,” as used in this subpart, means repairable or consumable parts acquired after the initial provisioning process.

217.7502 General.

Departments and agencies—

(a) May acquire replenishment parts concurrently with production of the end item.

(b) Shall provide for full and open competition when fully adequate drawings and any other needed data are available with the right to use for acquisition purposes (see Part 227). However—

(1) When data is not available for a competitive acquisition, use one of the procedures in PGI 217.7504 .

(2) Replenishment parts must be acquired so as to ensure the safe, dependable, and effective operation of the equipment. Where this assurance is not possible with new sources, competition may be limited to the original manufacturer of the equipment or other sources that have previously manufactured or furnished the parts as long as the action is justified. See 209.270 for requirements applicable to replenishment parts for aviation or ship critical safety items.

(c) Shall follow the limitations on price increases in 217.7505 .

217.7503 Spares acquisition integrated with production.

Follow the procedures at PGI 217.7503 for acquiring spare parts concurrently with the end item.

217.7504 Acquisition of parts when data is not available.

Follow the procedures at PGI 217.7504 when acquiring parts for which the Government does not have the necessary data.

217.7505 Limitations on price increases.

This section provides implementing guidance for Section 1215 of Pub. L. 98-94 (10 U.S.C. 2452 note).

(a) The contracting officer shall not award, on a sole source basis, a contract for any centrally managed replenishment part when the price of the part has increased by 25 percent or more over the most recent 12-month period.

(1) Before computing the percentage difference between the current price and the prior price, adjust for quantity, escalation, and other factors necessary to achieve comparability.

(2) Departments and agencies may specify an alternate percentage or percentages for contracts at or below the simplified acquisition threshold.

(b) The contracting officer may award a contract for a part, the price of which exceeds the limitation in paragraph (a) of this section, if the contracting officer certifies in writing to the head of the contracting activity before award that—

(1) The contracting officer has evaluated the price of the part and concluded that the price increase is fair and reasonable; or

(2) The national security interests of the United States require purchase of the part despite the price increase.

(c) The fact that a particular price has not exceeded the limitation in paragraph (a) of this section does not relieve the contracting officer of the responsibility for obtaining a fair and reasonable price.

(d) Contracting officers may include a provision in sole source solicitations requiring that the offeror supply with its proposal, price and quantity data on any government orders for the replenishment part issued within the most recent 12 months.

217.7506 Spare parts breakout program.

See PGI 217.7506 and DoD Manual 4140.01, Volume 9, DoD Supply Chain Materiel Management Procedures: Materiel Programs, for spare parts breakout requirements.