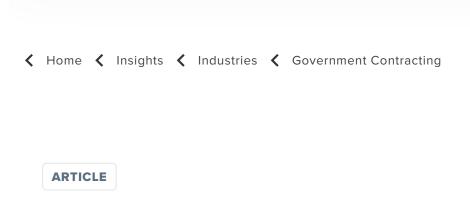


January 19, 2024



General Services Administration Federal Supply Schedule Economic Price Adjustment Proposed Rule

In March 2022, General Services Administration ("GSA") originally published a temporary moratorium, <u>Acquisition Letter MV-22-02</u>, which allows GSA greater flexibility to approve and process Economic Price Adjustment ("EPA") requests. The temporary moratorium has been extended through March 31, 2024. In an effort to streamline the EPA process, and other benefits seen with the EPA flexibilities, GSA is proposing to make some of these permanent in the proposed rule.

Proposed Changes

GSA is proposing to streamline the various EPA clauses included in its Federal Supply Schedule ("FSS") program contracts. Currently, FSS contracts include at least one of the following EPA

clauses:

- 1. Alternate I of GSAR clause 552.216–70, Economic Price Adjustment-FSS Multiple Award Schedule Contracts
- 2. An authorized deviation of GSAR clause 552.216–70
- 3. Clause I–FSS–969, Economic Price Adjustment-FSS Multiple Award Schedule
- 4. An Alternate to clause I-FSS-969

The proposed rule will result in the above clauses consolidated into a single EPA clause, GSAR clause 552.216–70, Economic Price Adjustment—FSS Multiple Award Schedule Contracts. The new clause will provide for:

- 1. Standardization and simplification of existing Schedule EPA requirements
- Retention of the Schedule Contracting Officer's authority to reject, accept, or partially accept an EPA request
- 3. Creation of a definition for "economic price adjustment method" for the purpose of formalizing within resultant contracts offerors' proposed EPA mechanism(s), the applicable pricing subject to EPA, and any other agreed upon requirements
- 4. Clarification on what is not covered by an EPA request
- 5. Ability for the EPA method to be revised via mutual agreement during contract performance
- 6. Establishment of a single consolidated Schedule EPA clause.

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