

# Tank thermal energy storage, Aalborg Forsyning

## Sub-Appendix D1 Index explanation

21 June 2022  
Version 1

## Index explanation

<p>4.1</p> <p>4.1.1</p>	<p><b>Index for imported iron and steel (Steel-IM)</b></p> <p>Price index for Domestic supply Business, Price index for Domestic supply (PRIS1115) Unit: Index</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{\text{Steel-IM}}{\text{Steel-IM}_0} \right)</math></p>	
<p>4.2</p> <p>4.2.1</p>	<p><b>Index for Steel73:</b></p> <p>Price index for Domestic supply Business, Price index for Domestic supply (PRIS1115), Commoditygroup 73 Unit: Index</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{\text{Steel73}}{\text{Steel73-0}} \right)</math></p>	
<p>4.3</p> <p>4.3.1</p>	<p><b>Net price index (1115 general)</b></p> <p>Price index for Domestic supply Business, Price index for Domestic supply (PRIS1115) Unit: Index</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{1115}{1115-0} \right)</math></p>	
<p>4.4</p> <p>4.4.1</p>	<p><b>Index for labour costs: ILON12</b></p> <p>Labour and income, Implicit index of average earnings by industry, sector and unit Industry: CH,Basic metals and fabricated metal products, non-seasonally adjusted</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{\text{ILON12}}{\text{ILON12-0}} \right)</math></p>	
<p>4.5</p> <p>4.5.1</p>	<p><b>Index for Earth work (EAWO)</b></p> <p>BYG61: Construction cost indices for civil engineering projects by index type and unit Earth work, index</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{\text{EAWO}}{\text{EAWO-0}} \right)</math></p>	
<p>4.6</p> <p>4.6.1</p>	<p><b>Index for Concrete structures (CONST)</b></p> <p>BYG61: Construction cost indices for civil engineering projects by index type and unit Concrete structures, index</p> <p><b>Formula for calculation:</b> <math>P = P_0 \left( \frac{\text{CONST}}{\text{CONST-0}} \right)</math></p>	

Definitions:

P = Price to be invoiced after adjusting P0 in accordance with the relevant index

P0 = Price offered in the tender list at date of tender

ILON12 = Value from the last published index (4.4) at date of client's receipt of contractor's documented account of the work executed

ILON12-0 = Value from the last published index (4.4) at date of tender

Steel73 = Value from the last published index (4.2) at date of client's receipt of contractor's documented account of the work executed

Steel73-0 = Value from the last published index (4.2) at date of tender

Steel-IM = Value from the last published index (4.1) at date of client's receipt of contractor's documented account of the work executed

Steel-IM-0 = Value from the last published index (4.1) at date of tender

1115 = Value from the last published index (4.3) at date of client's receipt of contractor's documented account of the work executed

1115-0 = Value from the last published index (4.3) at date of tender

EAWO = Value from the last published index (4.5) at date of client's receipt of contractor's documented account of the work executed

EAWO-0 = Value from the last published index (4.5) at date of tender

CONST = Value from the last published index (4.6) at date of client's receipt of contractor's documented account of the work executed

CONST-0 = Value from the last published index (4.6) at date of tender

## Index example

On the date of tender, the Contractor offers to deliver steel plates, material at a price of DKK 10,000,000, see pos. 2.3.1 of the tender list.

Further, on the date of tender, the Contractor offers to deliver handling and welding etc. at a price of DKK 8,000,000, see post. 2.3.2 of the tender list.

On 20 February 2023, the Client receives a documented account of work executed from the Contractor from which it follows that 50 pct. of both steel plates, material and handling and welding etc. are delivered.

### Price to be invoiced for steel plates, material:

According to clause 9 of the Construction Contract, the price for steel plates, material is adjusted in accordance with the index for imported iron and steel (Steel-IM).

The last published Steel-IM index on the date of tender is the 2022M05 Steel-IM index. The value of the 2022M05 Steel-IM index is 243.1.

The last published Steel-IM index on the date of Client's receipt of the Contractor's documented account of work executed is the 2023M01 Steel-IM index. For the sake of this example, we assume the value of the 2023M01 Steel-IM index is 250.1.

As steel plates, material is not subject to a fixed-price period, see clause 9 of the Construction Contract, the price offered for the 50 pct. steel plates, material delivered will be indexed, even though the steel plates, material is delivered within 12 month of the tender date.

Hence, the price to be invoiced for 50 pct. of steel plates, material delivered is  $\text{DKK } 5,000,000 \times (250.1/243.1) = \text{DKK } 5,143,973.67$ .

### Price to be invoiced for handling and welding etc.:

According to clause 9 of the Construction Contract, the price for handling and welding etc. is adjusted in accordance with the index for labour costs (ILON12).

The last published ILON12 index on the date of tender is the 2022Q1 ILON12 index. The value of the 2022Q1 ILON12 index is 143.4.

The last published ILON12 index on the date of Client's receipt of the Contractor's documented account of work executed is the 2022Q3 ILON12 index. For the sake of this example, we assume the value of the 2022Q3 ILON index is 146.9.

As handling and welding etc. is subject to a fixed-price period of 12 month from the date of tender, the price offered for the 50 pct. handling and welding etc. delivered will not be indexed, as the handling and welding etc. is delivered within 12 month of the tender date.

Hence, the price to be invoiced for 50 pct. of handling and welding etc. delivered is DKK 4,000,000.