



Life-Cycle Contracts: Metering Devices



Moscow
Government

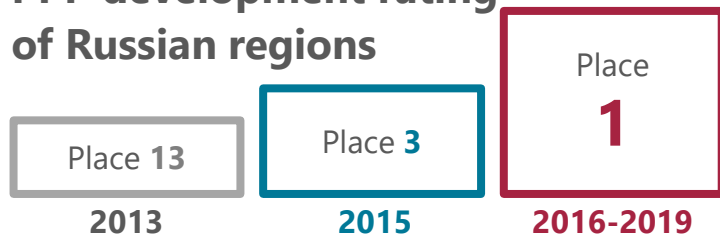
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PPP development is a priority of investment policy

> **₽950 bn**

volume of PPP project contracts from 2013 to 2019

PPP development rating of Russian regions



RUR 67.5 bn

Concession projects

RUR 503 bn

Life-Cycle Contracts (LCC)

RUR 241 bn

Long-term contracts with an investment component

RUR 135.2 bn

Corporate PPP

RUR 17.2 bn

Real estate lease with Investment commitments

Moscow approach features

- public-private partnerships are not limited to PPP agreements and concessions
- the use of various (including new) forms and mechanisms in the projects implementation
- achieving a comprehensive result and synergy from attracting a private partner

New application areas for LCC

Efficient tool of budget cost optimization – **life-cycle contracts (LCC)** stipulating the product supply and service



₽503 bn

Value of concluded LCCs

Main application area: **Public transport renewal**

	Metro	Surface transport			Utilities	Healthcare
Supply volume	1,576 metro cars	436 busses	300 trams	600 e-busses	33,578 heat counters	Medical equipment
Contract time	30 years	7 years	30 years	15 years	12 years	10 years
Contract value	RUR 352 bn	RUR 7.3 bn	RUR 56.2 bn	RUR 36.4 bn	RUR 31.6 bn	RUR 33.8 bn

LCC for Heat Counters (HC) and Data Collection and Transfer Devices (DTTD)

Main terms

- Contractor Obligations:
 - Install (replace) HCs (33,578 units), install DTTDs (16,214 units)
 - Maintain the function of HCs at 99% within the life cycle (fines are applicable in case of breach)
- Function monitoring through ASUPR (Automated system of consumption accounting)
- Obligation fulfilment is controlled by the Client – GBU EIRC (Unified information and accounting center)
- Devices are to inventoried by EIRC upon delivery



LCC

according to federal law 223-FZ

- 4 LCCs for HCs and DTTDs were signed in 2019
- Contract time: **12 years**
- Tender winner – **consortium of 5 companies**
- Total value of 4 LCCs – **RUR 31,6 bn.**