

Bituminous products

Rise and fall calculations

The basis for rise and fall is for bitumen prices to reflect the actual costs of bitumen at the time of sealing. Bitumen prices fluctuate considerably and the price submitted at the time of tender award may not be relative to costs when sealing takes place.

Asphalt mixes are not included in this process. The bituminous components of the asphalt works are included (SAMI seals and tack coats).

Exclusions

Asphalt mixes are not included in this process as the bitumen component of asphalt is approximately 10 percent of the total mixture. Bitumen contents also vary across the batches of mixes and it would be difficult to calculate actual bitumen usage for the whole project. Period contracts are excluded as they already have a rise and fall clause as part of their conditions of contract.

Contracts that are subject to rise and fall

- Contracts over or greater than three months duration.
- Contracts with 3000 litres and greater of bitumen in the schedule of rates.

Additional contract claim requirements

- Claims for payment must be submitted with the rise and fall calculations attached. The rise and fall calculations are located in the spray sealing section of the request for tender. A spreadsheet for calculations will be sent to the contractor at award and will also be available on the Department of Infrastructure, Planning and Logistics website here <https://dipl.nt.gov.au/industry/technical-standards-guidelines-and-specifications/road-surfacing-standards>

Steps for rise and fall calculations

- Visit <https://webapps.vicroads.vic.gov.au/VRNE/tenconin.nsf/webFreeForms> to match the contract award date with the price for bitumen for that month (**Mb** in the rise and fall calculations spreadsheet)
- Match the date that sealing was performed to obtain the price of bitumen for that month (**Mn** in the rise and fall calculations spreadsheet)
- If there are delays caused by the contractor, the scheduled date of sealing will be as per the latest accepted program date (**Mn** in the rise and fall calculations spreadsheet)
- The Department of Infrastructure, Planning and Logistics will do a final check of calculations and issue a variation to the contract. The variation will be the difference between the original SoR rate amount and the new rate
- Calculation for new rates based on rise and fall - $P_n = P_b + ((M_n/970) - (M_b/970))$.

For more information

dipl.nt.gov.au/industry/technical-standards-guidelines-and-specifications