

17.203 Solicitations.

(a) *Solicitations shall* include appropriate *option* provisions and clauses when resulting contracts will provide for the exercise of *options* (see [17.208](#)).

(b) *Solicitations* containing *option* provisions *shall* state the basis of evaluation, either exclusive or inclusive of the *option* and, when appropriate, *shall* inform *offerors* that it is anticipated that the Government *may* exercise the *option* at time of award.

(c) *Solicitations* normally *should* allow *option* quantities to be offered without limitation as to price, and there *shall* be no limitation as to price if the *option* quantity is to be considered in the evaluation for award (see [17.206](#)).

(d) *Solicitations* that allow the *offer* of *options* at unit prices which differ from the unit prices for the basic requirement *shall* state that *offerors may offer* varying prices for *options*, depending on the quantities actually ordered and the dates when ordered.

(e) If it is anticipated that the Government *may* exercise an *option* at the time of award and if the condition specified in paragraph (d) of this section applies, *solicitations shall* specify the price at which the Government will evaluate the *option* (highest *option* price offered or *option* price for specified requirements).

(f) *Solicitations may*, in unusual circumstances, require that *options* be offered at prices no higher than those for the initial requirement; *e.g.*, when-

(1) The *option* cannot be evaluated under [17.206](#); or;

(2) Future competition for the *option* is impracticable.

(g) *Solicitations* that require the offering of an *option* at prices no higher than those for the initial requirement *shall*-

(1) Specify that the Government will accept an *offer* containing an *option* price higher than the base price only if the acceptance does not prejudice any other *offeror*; and

(2) Limit *option* quantities for additional *supplies* to not more than 50 percent of the initial quantity of the same *line item*. In unusual circumstances, an authorized person at a level above the *contracting officer may* approve a greater percentage of quantity.

(h) Include the value of *options* in determining if the *acquisition* will exceed the World Trade Organization Government *Procurement Agreement* or Free Trade Agreement thresholds.

Parent topic: [Subpart 17.2 - Options](#)