

Like-Kind Risk

This conversation has transpired countless times between equipment vendors and contractors. In most cases, this conversation occurs over seemingly insignificant components to your system operations - minor difference in pipe specifications, motor duty rating, minor material differences, or electrical components. Nothing major... so, what's the difference? The difference to you, unfortunately, is quite often not exposed until after months or years of operations. When these differences are discovered during construction, although it may still cost you more money up front, at least they can be fixed. Much more troubling are those differences that are discovered when you unexpectedly have an outage to replace minor parts, or you must begin replacing equipment meant to last 10 years in year 4. This is where having Cavanaugh on your side as an Implementation Consultant pays off. Having the technical depth and experience in carefully evaluating these seemingly minor "like-kind" substitutions will provide you with better information to base your acceptance of like-kind substitutions. It is in the contractor's or EPC's interest to get good deals on the equipment that comprise your system; it is in your best interest to get the correct equipment at the best price.