NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC Ltd**
(Reg No. 2002/015527/30)

and **[Insert at award stage]**
(Reg No. _____)

for **NORTH AND SOUTH PLANT FUEL OIL VALVES REFURBISHMENT ON UNITS 1, 2, 4, 5 AND 6 AT DUVHA POWER STATION DURING PLANNED OUTAGES FOR THE PERIOD OF FIVE (5) YEARS**

Contents:		**No of pages**
Part C1	**Agreements & Contract Data**	**[●]**
Part C2	**Pricing Data**	**[●]**
Part C3	**Scope of Work**	**[●]**

CONTRACT No. **[Insert at award stage]**

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

		No of pages
C1.1	**Form of Offer and Acceptance**	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.2a	**Contract Data provided by the *Employer***	**[●]**
C1.2b	**Contract Data provided by the *Contractor***	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.3	**Proforma Guarantees**	**[●]**

C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

NORTH AND SOUTH PLANT FUEL OIL VALVES REFURBISHMENT ON UNITS 1, 2, 4, 5 AND 6 AT DUVHA POWER STATION DURING PLANNED OUTAGES FOR THE PERIOD OF FIVE (5) YEARS

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Options A	The offered total of the Prices exclusive of VAT is	**R**
	Sub total	**R**
	Value Added Tax @ 15% is	**R**
	The offered total of the amount due inclusive of VAT is[1]	
	(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer: .....

(Insert name and address of organisation)

Name & signature of witness ..... Date .....

Tenderer's CIDB registration number: .....

[1] This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1 and Acceptance)	Agreements and Contract Data, (which includes this Form of Offer
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s) .....

Name(s) .....

Capacity .....

for the Employer

.....

Name & signature of witness *(Insert name and address of organisation)* .....

Date .....

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the *Employer* prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1	**[●]**	**[●]**
2	**[●]**	**[●]**
3	**[●]**	**[●]**
4	**[●]**	**[●]**
5	**[●]**	**[●]**

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

	For the tenderer:	**For the Employer**
Signature	.....	.....
Name	.....	.....
Capacity	.....	.....
On behalf of	*(Insert name and address of organisation)*	*(Insert name and address of organisation)*
Name & signature of witness	.....	.....
Date	.....	

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	**W1: Dispute resolution procedure**
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: *Additional conditions of contract*
	of the NEC3 Term Service Contract April 2013[2] (TSC3)	
10.1	The *Employer* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**+27 13 690 0913**
	Fax No.	
10.1	The *Service Manager* is (name):	**Hlengiwe Mpanza**
	Address	**DUVHA POWER STATION P.O BOX 2199 WITBANK 1035**
	Tel	**013 690 0757**
	Fax	

[2] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

	e-mail	**Mpanzahm@eskom.co.za**
11.2(2)	The Affected Property is	**The area within the jurisdiction of Duvha Power Station**
11.2(13)	The *service* is	**North and South Plant Fuel Oil Valves Refurbishment on Units 1, 2, 4, 5 and 6 at Duvha Power Station during planned outages for the period of five (5) years**
11.2(14)	The following matters will be included in the Risk Register	**The outage dates might be postponed, resulting in labour and material price increases, and the documents called 'Works Information' in Part 3 of this contract might change.**
11.2(15)	The Service Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
12.2	The *law of the contract* is the law of	**the Republic of South Africa**
13.1	The *language of this contract* is	**English**
13.3	The *period for reply* is	**Within 24 hours or any other period agreed between the parties and specified in the task order**
2	**The *Contractor*'s main responsibilities**	**Data required by this section of the core clauses is also provided by the *Contractor* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data**
21.1	The *Contractor* submits a first plan for acceptance within	**2 weeks of the Contract Date**
3	**Time**	
30.1	The *starting date* is.	**01 April 2027 or as soon as possible**
30.1	The *service period* is	**5 years (ending 01 May 2032 or depending on the contract start date)**
4	**Testing and defects**	**Defects date is 52 weeks after completion of the Task Order. The defects correction period is 24 hours, or any other period agreed between the parties.**
5	**Payment**	
50.1	The *assessment interval* is	**between the 25th day of each successive month.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**4 weeks.**
51.4	The *interest rate* is	**the publicly quoted prime rate of interest**

		(calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and **(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.**
6	**Compensation events**	**This will be covered by the estimated Risk Contingency Amount on the Contract**
7	**Use of Equipment Plant and Materials**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**1. The program must be flexible as outages can be shifted as a result of production constraints.** **2. The Employer will not make payment if the invoices from the Contractor does not correspond with the price assessed by the Project Manager on the payment certificate.** **3. Employer failing to issue the Contractor with the permit to work due to unavailability of the plant.** **4. Appointed Person responsible for Permit to Work might not be available due to shortage of Appointment Persons on Site.** **5. Access to Site plant areas might not be available due to other Contractors working on the same area.**

9	**Termination**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.**
10	**Data for main Option clause**	
A	**Priced contract with price list**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**2 weeks.**
11	**Data for Option W1**	
W1.1	The *Adjudicator*	**the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.**
W1.4(2)	The *tribunal* is:	**arbitration**
W1.4(5)	The *arbitration procedure* is	**the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**
	The place where arbitration is to be held is	**Johannesburg, South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**
12	**Data for secondary Option clauses**	
X1	**Price adjustment for inflation**	
X1.1	The *base date* for indices is	
	The proportions used to calculate the Price Adjustment Factor are:	**proportion** / **linked to index for** / **Index prepared by** **0.** / **[•]** / **SEIFSA**

		0.	**[•]**	**SEIFSA**
		0.	**[•]**	**SEIFSA**
		0.	**[•]**	
		1.00		
X2	**Changes in the law**	**There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.**		
X17	**Low service damages**			
X17.1	The low service is	**Plant Rework** For any plant rework the contractor will be held accountable for all costs relating to the re-work. **Poor workmanship** Failure of the new equipment due to poor workmanship or negligence, the contractor will be held accountable for the cost of the re-work and furthermore the contractor has to submit a written programme within 8 hours after being made aware of the plant status as to how corrective maintenance on that specific plant will be performed **PSR Authorisation** Failure by contractor to be authorised within the three (3) month period after contract has been awarded will result in penalties being charged for non-compliance. Penalty of 5% of the task order will be deducted. **Plant unavailability** The penalty of 2% per day of the amount of the task order or a capped percentage of 10% of the task order will be charged and furthermore the contractor has to submit a written programme within 8 hours after being made aware of the plant status as to how corrective maintenance on that specific plant will be performed **Plant unavailability due to production** Eskom will not be held accountable or attract penalties from the contractor if the plant is not available due to production issues or work permit issues.		
X18	**Limitation of liability**			
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**10% of the Contract value**		
X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**the amount of the deductibles relevant to the event**		
X18.3	The *Contractor*'s liability for Defects due	**The greater of**		

	to his design of an item of Equipment is limited to	• **the total of the Prices at the Contract Date and** • **the amounts excluded and unrecoverable from the *Employer*'s insurance (other than the resulting physical damage to the *Employer*'s property which is not excluded) plus the applicable deductibles**
X18.4	The *Contractor*'s total liability to the *Employer*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**the total of the Prices other than for the additional excluded matters.** **The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **Defects due to his design, plan and specification,** • **Defects due to manufacture and fabrication outside the Affected Property,** • **loss of or damage to property (other than the *Employer*'s property, Plant and Materials),** • **death of or injury to a person and** • **infringement of an intellectual property right.**
X18.5	The *end of liability date* is	**12 months after the end of the *service period*.**
X19	**Task Order**	
X19.5	The *Contractor* submits a Task Order programme to the *Service Manager* within	**5 days of receiving the Task Order**

Z1 Cession delegation and assignment

Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer.*

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.

Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to

bind the *Contractor* on their behalf.

Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor*'s B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor*'s obligation to Provide the Service.

Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.

Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z6 Health, safety and the environment: Add to core clause 27.4

Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

Z7 Provision of a Tax Invoice and interest. Add to core clause 51

Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer*'s procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer*'s VAT number 4740101508 on each invoice he submits for

payment.

Z8 Notifying compensation events

Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

Z9 *Employer's* limitation of liability

Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9.2 The *Contractor*'s entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer*'s liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z10.1 or had a business rescue order granted against it.

Z11 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an

investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor*'s obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor*'s obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover 83

83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the *Contractor* to the *Employer*'s property	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.

Loss of or damage to Equipment	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
The *Contractor*'s liability for loss of or damage to property (except the *Employer*'s property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor*'s Providing the Service	**Loss of or damage to property** The replacement cost **Bodily injury to or death of a person** The amount required by the applicable law.
Liability for death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:

Insurance by the *Employer*

86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	**Minimum amount of cover or minimu limit of indemnity**
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document

Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.

Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

For the purposes of this Z-clause, the following definitions apply:

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

Compliance Monitoring means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

OEL means occupational exposure limit.

Parallel means measurements performed in parallel, yet separately, to existing

Measurements measurements to verify validity of results.

Safe Levels means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

Standard means the *Employer*'s Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.

SANAS means the South African National Accreditation System.

TWA means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor*'s expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor*'s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*'s expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)[3] in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left-hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field ***once*** and type in the data. Otherwise, complete by hand and in ink.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**%** **%**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the *Contractor*'s plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name:	

[3] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Job

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in .

A	**Priced contract with price list**	
11.2(12)	The *price list* is in	
11.2(19)	The tendered total of the Prices is	**R**

PART 2: PRICING DATA
TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The *price list*	**[●]**

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms 11 11.2

(12) The Price List is the *price list* unless later changed in accordance with this contract.

(17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

Function of the Price List

Clause 54.1 in Option A states: “Information in the Price List is not Service Information”. This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, “The *Contractor* Provides the Service in accordance with the Service Information”. Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

Link to the *Contractor*’s plan

Clause 21.4 states “The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance”. Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor:*

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

If the *Contractor* is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering contractor enters the amount in the Price column only, the Unit, Expected Quantity and Rate columns being left blank.

If the *Contractor* is to be paid an amount for an item of work which is the rate for the work multiplied by the quantity completed, the tendering contractor enters the rate which is then multiplied by the Expected Quantity to produce the Price, which is also entered.

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

C2.2 the *price list*

Price List A: Services

FY27/28

Item no.	Description	Unit	Qty	Rate	Price
U5 IN (16166) 27 May 2027 to 16 June 2027	**UNIT 1 (8 OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		
U1 GO (29600) 17 September 2027 to 20 December 2027	**UNIT 1 (68-OFF) Valves Refurbishment**				
1	FUEL OIL PLANT ISOLATING VALVES	EA	60		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	7		

The total of the Prices

FY28/29

Item no.	Description	Unit	Qty	Rate	Price
U4 IN (29602) 06 April 2028 to 26 April 2028	**UNIT 4 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		
U6 IN (19141) 15 September 2028 to 05 October 2028	**UNIT 6 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		
U2 IN (16144) 123 October 2028 to 02 November 2028	**UNIT 2 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		

U2 GO (29603) 24 March 2029 to 27 May 2029	**UNIT 2 (68-OFF) Valves Refurbishment**				
1	FUEL OIL PLANT ISOLATING VALVES	EA	60		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	7		

The total of the Prices |

FY29/30

Item no.	Description	Unit	Qty	Rate	Price
U1 IN (24310) 21 May 2029 to 10 June 2029	**UNIT 1 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		
U4 IR (29609) 17 July 2029 to 20 August 2029	**UNIT 4 (78-OFF) Valves Refurbishment**				
1	FUEL OIL PLANT ISOLATING VALVES	EA	70		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	7		
U6 MO (29604) 14 August 2029 to 11 November 2029	**UNIT 6 (81-OFF) Valves Refurbishment**				
1	FUEL OIL PLANT ISOLATING VALVES	EA	73		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	7		
U5 IN (29605) 28 August 2029 to 18 September 2029	**UNIT 5 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		
U2 IR (32621) 10 September 2029 to 14 October 2029	**UNIT 2 (63-OFF) Valves Refurbishment**				

1	FUEL OIL PLANT ISOLATING VALVES	EA	55		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	7		
U1 IN (33554) 11 February 2030 to 03 March 2030	**UNIT 1 (8-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	7		

The total of the Prices

FY30

Item no.	Description	Unit	Qty	Rate	Price
U4 IN (24318) 09 December 2030 to 29 December 2030	**UNIT 4 (16-OFF) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	15		
U5 GO (29641) 28 January 2031 to 03 March 2031	**UNIT 5 (82-OFF) Valves Refurbishment**				
1	FUEL OIL PLANT ISOLATING VALVES	EA	68		
2	FUEL OIL CONTROL VALVE	EA	1		
3	BLR RECIRCULATING VALVES	EA	13		

The total of the Prices R

FY30/31

Item no.	Description	Unit	Qty	Rate	Price
U2 IN (29608) 31 August 2031 to 20 September 2031	**UNIT 2 (16) Valves Refurbishment**				
1	FUEL OIL CONTROL VALVE	EA	1		
2	BLR RECIRCULATING VALVES	EA	15		
U1 GO (29606) 17 September 2030 to 20	**UNIT 1 (76-OFF) Valves Refurbishment**				

November 2030					
1	FUEL OIL PLANT ISOLATING VALVES	EA	68		
2	FUEL OIL CONTROL VALVE	EA	1		
3	13 BLR RECIRCULATING VALVES	EA	7		

The total of the Prices R

SECTION A: PRELIMINARY & GENERAL

Item no.	Description	Unit	Qty	Rate	Price
1.	**SECTION A: PRELIMINARY & GENERAL**				
1.1	**Fixed Charge Items**				
1.1.1	Site Establishment(for the duration of the Project)	Sum	1		
1.1.2	Site De-establishment	Sum	1		
1.2	**Time Related Items**				
1.2.1	SHEQ Requirements	Months	60		
1.2.2	Transport to and from Duvha (Travelling KM capped at 30km per day)	KM	66000		

The total of the Prices R

TOTAL TENDER PRICE EXCLUDING VAT R

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Employer*'s Service Information	
C3.2	*Contractor*'s Service Information	
	Total number of pages	

PART 3: SCOPE OF WORK

Please refer to the attached document.

C3.1: EMPLOYER'S SERVICE INFORMATION

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1. Description of the *service*

1.1 Executive overview

The service is inspections and the refurbishment of Duvha Power Station fuel oil valves during planned outages for the duration of five years.

1.2. *Employer*'s requirements for the *service*

The Employer's requirement for the service is to ensure the sustainability, safety and health of all compensators on units 1, 2, 4, 5 and 6 at the power station.

Employer's requirements for the service are as follows:

- The Contractor provides the crew for the inspection and refurbishment of Duvha Power Station fuel oil valves during planned outages and breakdowns.
- The Contractor provides tools, gear, and equipment to carry out the scope of work.
- The Contractor ensures the safety of own personnel, other contractors and Eskom employees in the vicinity of the works by complying with the OHS Act No.85 of 1993 and its Regulations.
- The Contractor conforms to Work-at-Height Training Requirements for Contractors Performing Work for Eskom. All Contractor employees who will be working at height are required to have undergone working at height training as per Eskom Work at Height Standard (32-418).
- The Contractor plans and executes the scope of work and provides a detailed plan for each task.
- The Contractor performs quality control on own work as per pre-approved control plans.
- The Contractor performs work within the specified period and to the acceptable quality standard.
- The Contractor shall always provide the required Personnel Protective Equipment (PPE) to his employees.
- The Contractor is required to have a minimum of 2 (Two) Responsible Persons/Authorised supervisor/s as per the Eskom's Plant Safety Regulations within 6 months of the contract start date. The course will be provided free of charge by Duvha Power Station. It remains the Contractor's responsibility to book his personnel for the training.
- The Contractor provides for standby or afterhours work should there be a need.

A. Scope of work

Please refer to the attached document.

1.3. Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
BS	British Standard
CCTV	Closed-Circuit Television
CSY	Coal Stock Yard
CW	Cooling Water
CBR	California Bearing Ratio
DCP	Dynamic Cone Penetrometer
HIRA	Hazard Identification and Risk Assessment
HMD	Heavy Maintenance Department
ISO	International Organization for Standardization
Mod AASHTO	Modified American Association of State Highway and Transport Officials
NEC	New Engineering Contract
OEM	Original Equipment Manufacturer
OHS Act	Occupational Health and Safety Act No.85 of 1993
RBO	Reliability Basis Optimisation
PPE	Personal Protective Equipment
PSR	Plant Safety Regulation
QC	Quality Control
QCP	Quality Control Plan

QM	Quality Management
SAMTRAC	Safety Management Training Course
SANAS	South African National Accreditation System
SANS	South African National Standard
SAP	Systems, Applications and Products in Data Processing
SHE	Safety, Health and Environment
SHEQ	Safety, Health, Environmental and Quality

2. Management strategy and start up.

2.1 Management meetings

Regular meetings of a general nature may be convened and chaired by the *Service Manager* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Outage feedback meeting	Weekdays 10:30 – 11:30 Weekends 08:00 – 09:00	Duvha Power Station	*Employer, Site Managers and other dept's*
Activities progress and issues	Weekly 09:00 – 10:00	Duvha Power Station	*Project Manager and Site Managers*
Overall contract progress and feedback	Monthly for 1 hr	Duvha Power Station	*Project Manager and Site Manager*

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *service*. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

2.2 *Contractor*'s management, supervision and key people

The *Contractor* shall provide a Site/Project Manager to supervise, monitor, control and co-ordinate all activities during the execution of this contract.

The following key people must meet the minimum requirements tabled under each designation.
Site/Project Manager

- The site manager to be in possession of minimum National Diploma in Engineering or Grade 12 with project management certification (NQF 6) and three (3) years relevant experience. Certified copies of certificates and CV with traceable references
- He/she must also have a working at heights certificates.
- Safety/Legislation training, e.g OHS Act, Legal liability, HIRA, Construction Regulations, Labour relations.
- Computer literate.
- Ability to obtain Authorisation as a 'Responsible Person" in terms of the Eskom Plant Safety Regulations at Duvha Power Station.
- Evaluation, analysing and decision-making skills.
- Manage and lead the team to ensure proper adherence to the contract scope and execution of all work by the team.
- Provide advice with respect to problems and possible solutions.
- Ensure adherence to legislative requirements.
- Ensuring compliance to the Eskom Quality requirements for engineering and construction in generation standard (QM 58 latest revision)

Supervisors

- N6 or National Diploma in Mechanical Engineering or equivalent Supervisory experience with Trade (Fitting) certificate on maintenance of at least three (3) years experience working with valves.
- Level 2 SAIW Qualification with at least two (2) years' experience.
- Working at heights certificates.
- Supervisory training
- Ability to obtain Authorisation as a 'Responsible Person" in terms of the Eskom Plant Safety Regulations at Duvha Power Station.

Safety Officer

- National Diploma/equivalent in Safety Management
- SAMTRAC certificate and registered with at least (four) 4 years' experience.
- He/she must also have a working at heights certificates.

Quality inspector

- Level 2 SAIW Qualification with at least two (2) years' experience.
- Working at heights certificates.

Welder

- Trade Certificate and a minimum of two (2) years previous relevant experience.
- Level 2 SAIW Qualification with at least two (2) years' experience.
- Working at heights certificates.

Fitters/Artisan

- Trade Certificate and a minimum of two (2) years previous relevant experience
- Level 2 SAIW Qualification with at least two (2) years' experience.
- Working at heights certificates.

2.3 Documentation control

- All procedures, work instructions, forms and all contractual communications must be controlled for the duration of the contract.
- The following will appear on all controlled documentation as a title page, page header or page footer:
    - ❖ Title
    - ❖ Document Unique identifier
    - ❖ Revision number, original documents will be noted as revision 0. All subsequent revisions will be number sequentially (1, 2, 3, 4….)
    - ❖ Revision Date
    - ❖ Date when document was last changed. This date will change with each revision.
    - ❖ Effective Date
    - ❖ Date when document first came into use. This date will not change as the document is revised.

- All contractual communications will be in the form of properly compiled letters or forms attached to emails and not as a message in the email itself.
- Inspections reports to be compiled and submitted within one week.
- Data package after all the work has been finished to be submitted within four (4) weeks after the repairs.
- Formal and informal communications will be in writing between the *Service Manager* and the *Contractor* only, any agreements between the *Contractor* and any other person representing the *Employer* which has not been delegated by the *Service Manager* will be invalid. Any instructions written or verbal resulting in any changes to the duration, quality, cost of the project may only be received from the *Service Manager*.

2.4 Invoicing and payment

Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager*'s payment certificate.

The Contractor shall address the tax invoice to Eskom Holdings Limited's VAT (4740101508) and Company Registration Number (2002/015527/06). The tax invoice shall be saved in PDF and sent to invoiceseskomlocal@mp2rc110.eskom.co.za and include on each invoice the following information:

Name and address of the *Contractor* and the *Service Manager.*
The contract number and title.
Contractor's VAT registration number.
The *Employer*'s VAT registration number 4740101508.
Description of service provided for each item invoiced based on the Price List.
Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT; (add others as required).

2.5 Records of Defined Cost to be kept by the *Contractor*

The *Contractor* keeps accurate and complete books of accounts, records and other evidence relating to the Actual Cost. Records and accounts must reflect all work done on the contract. These are open to audit. All documentation is kept by the *Contractor* for a period of three years following completion of this contract. This information must be always kept up to date.

The *Contractor* may be requested to submit to the delegated *Service Manager* proof of costs incurred, which may include the following*:*

- the number and grading of employees within the Working Areas
- the number and grading of employees outside the Working Areas
- copies of their daily time sheets
- cost allocation
- payroll registers
- Schedule of Equipment and time sheets, and
- Any other information the delegated *Project Manager* reasonably requires.

2.6 Training workshops and technology transfer

Duvha Power Station will from time-to-time schedule Plant Safety Regulations training; it is responsibility of the *Contractor* to book his personnel for the training.

2.7 Things provided at the end of the *service period* for the *Employer*'s use

2.7.1 Information and other things

All records, data books, inspection reports, QCPs etc relating to the *Works.*

2.8 Management of work done by Task Order

The *Service Manager* issues a Task Order to the *Contractor* which specifies clearly the work, services, equipment and material to be provided, additional specifications and procedures and any other constraints the *Contractor* complies with in providing the Works. The Task Order is issued before the *Contractor* Provides the Work.

The *Service Manager* issues Task Order*s* to the *Contractor* in a timely manner that allows the *Contractor* to properly plan the work within the time periods stated on the *Task Order.*

The *Service Manager* issues to the *Contractor* any information relative to the *Employer's* need and circumstance surrounding forecast future work required from the *Contractor*. This information allows the *Contractor* to provide staff in a cost effective and efficient manner.

Emergency *work*

The *Contractor* may require undertaking emergent work and even after normal working hours, and work instruction will be detailed on the work order print out papers.

The *Service Manager* may issue a verbal instruction to the *Contractor* to undertake emergency work. This verbal instruction is confirmed in writing within 5 days from when the instruction is issued.

3. Health and safety, the environment and quality assurance

3.1 Health and safety risk management

The service requires that the Contractor must have at least two employees preferably the Supervisors to be trained, competence-assessed, and authorized in writing to perform the duties of a Responsible Person in terms of the Eskom Plant Safety Regulations. The *Employer* will offer Plant Safety Regulations free of charge to the *Contractor* employees depending on the availability of PSR training schedule.

While work is in progress, adequate warning signs and/or barricades shall be used in all areas where there is a risk of persons being injured by materials or equipment falling from the work area. Barricades should be continuous and easily visible.

The *Contractor's* personnel are to undergo Safety Induction Training at Duvha prior to commencement of this contract and all the relevant Documentation is to be approved by Safety Officials and the *Service Manager* before any activities can be started on site.

a) The *Contractor* complies with the requirements of the Duvha Power Station Safety, Health & Environmental Specifications SAS 0012: Duvha Power Station Contractors safety manual.
b) The documents are completed by the Contractor's and submitted to the Employer before taking possession of the works.
c) These documents are valid for the duration of the works.
d) The *Contractor* and all his personnel attend a Health and Safety Induction Course prior to starting with the works.
e) The induction course is presented by the Safety Risk Department at Duvha Power Station.
f) The *Contractor* makes arrangements with Safety Risk Management at telephone number 013-690-0143 or 013 690 0505.
g) The *Contractor* submits all the documents as indicated in the Safety, Health & Environmental Specifications relevant to the work to Safety Risk Management before the induction course.
h) Training and Competency Records with regard to the skills he uses to carry out the works or any other works in the Employers premises.
i) Compensation Commissioner records and proof of registration.
j) Records and documentation with regard to any sub-contractor or labour-only contracts he places or uses to carry out the works or any other works in Employers premises.
k) Personal Protective Equipment and Safety Equipment Inspection, training and competency records and documentation.
l) Employment contracts for all sub-contractor or labour-only contracts.

m) Compliance to a Safety System, such as NOSA or any other system that is similar in nature.
n) Records of all incidents or accidents, and vehicle accidents, incurred during execution of this works or any other works in the Employers premises.
o) Records of all man-hours, including sub-contractors or labour-only contracts, the *Contractor* spends on the *Employers* premises.
p) Written Safe Work Procedures for all hazardous tasks the *Contractor* executes on the *Employers* premises.
q) A Fall Protection Plan for all elevated work the *Contractor* does on the *Employers* premises.
r) Environmental Plan and awareness training.
s) Induction training records of his staff by himself/herself.
t) Minimum wage compliance for the different skills and to which Bargaining Council compliance is made to and proof of membership, if any.
u) Risk Assessment of this type of work.
v) Proof of authorisation/accreditation from Department of Employment and Labour and or other Statutory Body for this type of works, if applicable.
w) Emergency Evacuation and Rescue Plan for the hazardous tasks related to the works.

3.2 Environmental constraints and management

- The *Contractor* shall comply with the environmental criteria and constraints stated in Annexure ENVP 0016: Procedure for environmental handling of waste including redundant and obsolete equipment.
- Refuse Disposal
- The *Employer* will provide special colour coded bins for refuse disposal. The *Employer* will empty these bins.
- The *Contractor* ensures that all workers under his control strictly adhere to the correct use of refuse bins:
    - Maroon bins: - Scrap metal only
    - White bins: - Lagging and general household rubbish
    - Yellow bins: - Ash, dust, coal dust and sand
- For the full duration of the *Works*, the *Contractor* is responsible to keep the work area clean of any rubble, and to place all refuse into the bins provided.

3.3 Quality assurance requirements

- All work is carried out under the supervision of an experienced supervisor.
- The *Contractor* complies with the Employer's Quality Requirements as specified in Eskom Generation Standard 240-105658000 QM58 Rev2. Annexure B to the Supplier Quality Management: Specification indicates the specific application thereof. All quality control documentation is submitted to the *Service Manager* within 7 days of *works* start date.
- Proposed QCP template will be provided to *Contractor* after the awarding of the contract.

4. Subcontracting

4.1 Plant and Materials

4.1.1 Specifications

The *Contractor to* ensure that the work be performed in accordance with the latest statutory regulations, corporate standards and regulations, SANS and international (where applicable) design standards as well as all associated standards and regulations. This includes but is not limited to the following:

Statutory Safety Regulations:

- Occupational Health and Safety Act, Act 85 of 1993 and its Regulations
- SANS 085 - The Design, Erection, Use and Inspection of Access Scaffolding

Corporate Standards and Regulations:

- SAS 0012 - Duvha Power Station Contractors safety manual
- 240-105658000 QM58 Rev3 - Supplier Quality Management: Specification
- ENVP0005 - Duvha Power Station Waste Management procedure
- RMP0001 - Risk and Impact Assessment – Duvha Power Station.
- SAP0006 - Work in Confined Spaces
- ENP 0002 - Modification Control Process
- 36-1126 - Specification for Corrosion Protection of Plant and Equipment with Coatings
- 240-43156827 - Introduction to the welding rule book
- 36-505 - Personnel and entities performing welding related special processes on Eskom plant
- 32-418 - Eskom Work at Height Standard
- ISO 9001 Quality Management Systems
- 32-727 - Eskom Safety, Health, Environment and Quality (SHEQ) Policy

4.1.2 Correction of defects

- The *Contractor* shall take not more seven (7) days to correct the defect after has been notified by the *Service Manager* or his or her representative.
- The *Contractor* will do an item repair on defects due to poor installation or sub-standard work.

4.1.4 Plant & Materials provided "free issue" by the *Employer*

a) The *Employer* will provide power supply, water and land for the storage of equipment.

b) The *Contractor shall* supply all the necessary equipment and material required to execute the *Works*.

c) Should the *Contractor* need to use of any of the *Employer's* Equipment, including compressed air, electricity, water supply and crane, it must be specified by the *Contractor.* The *Employer* does not guarantee continuity of supply of any of these items.

5. Working on the Affected Property

5.1 *Employer*'s site entry and security control, permits, and site regulations

a) The contractor applies for access permits for all works exceeding four (4) weeks via the *Service Manager*, who will co-ordinate this.

b) The *Contractor* applies for *Contractor's* Permits for all his employees and/or *subcontractors* at the Security gate, at least 24 hours prior to entry of the Duvha Power Station Security Area.

c) The *Contractor* completes the specific form in the Duvha Power Station Contractors Safety Manual, listing all of the personnel that he intends using on site.

d) The completed list, identified with the *Contractor's* name, contains the following information:

- *Employee Name*
- *Employee ID Number*
- *Eskom Safety Co-ordinator signature*
- *Eskom* Project Manager *signature*
- *Validity Date*

e) No permits are issued to personnel who have not attended safety induction.

f) The *Contractor* photocopies the first page of the ID book of every one of his employees; reduced to the size 65%.

g) This completed list, together with the photocopies of the ID books is delivered to Protective Services for the preparation of the *Contractor's* Permits.

h) The *Contractor* allows at least 24 hours for the preparation of the security permits, before he collects the permits from the Protective Services offices.

i) The *Contractor's* personnel are required to be always in possession of a Contractor's Permit inside Duvha Power Station.

j) All *Contractors'* permits are submitted back to Protective Services when the workers leave the site after completion of the *works*. Failure to return the permits will result in a R40,00 penalty for each non returned permit.

k) The *Contractor* compiles detailed Tool Lists (obtainable from Protective Services) of all tools and equipment to be taken on site before arriving at the power station.

l) Authorised copies of these lists are retained to be used again when the tools and equipment is removed from site.

m) The *Contractor's* visitors and all personnel conform to the security arrangements that are in force at Duvha Power Station.

n) Application forms for visitors are filled in by the *Contractor's* Site Manager and approved by the *Service Manager* and submitted to the *Employer's* Protective Services office one day prior to the visit.

o) Visitors will not be allowed on site if the necessary forms are not in the possession of security staff.

p) The Chief Security Officer may, with valid cause, remove any of the *Contractor's* personnel from site, either temporarily or permanently. He may deny access to the site to any person whom, in the opinion of the said Chief Security Officer, constitutes a security risk.

q) No unauthorised vehicles will be allowed on site. Only *Contractor's* vehicles with displayed Contract Vehicle Permits disks will be allowed on site. Contract Vehicle Applications are directed to the *Service Manager* for consideration and approval.

r) The *Contractor* is restricted to the Site. The *Contractor* is forbidden to enter any other areas and ensures that his employees abide by these regulations.

s) Parking inside the power station is strictly forbidden, except for loading purposes.

t) No recruiting of casual labour may be done on *Eskom* premises, including the area outside the Power Station Security Gate.

u) Security personnel may search any premises, property or person within the security area of Duvha Power Station.

v) No Photographic equipment will be allowed within the security area of the Power Station without obtaining permission.

w) Application forms for such permission is available from the Security Services offices.

x) Any person found in possession of such equipment will be prosecuted in terms of the National Key Point Act.

y) The *Contractor* needs to submit security clearance for his employees to Duvha Power Station Security services Department before sending the request of attending the safety induction.

5.2 People restrictions, hours of work, conduct and records

- The *Contractor* is restricted to the site. The *Contractor* is forbidden to enter any other areas except the area they will be working at and ensures that his employees abide by these regulations.
- *Contractor* employees must sign first a Limited Access Register (LAR) at Unit Control Room before going to the working area.
- The *Contractor* personnel to work the same working hours as *Eskom* personnel to allow the *Service Manager* or her/his representative to oversee the works: from Mondays to Thursday's between 7:00am – 16:15pm, and on Fridays between 07:00am – 12:00am. In case of emergency a call-out will be made after working hours but the *Service Manager* needs to approve for such work arrangement.
- The *Contractor* shall keep records of attendance registers of all his employees and subcontractor/s on site on monthly basis, copies of records shall be submitted to the *Service Manager* for assessment.

5.3 Health and safety facilities on the Affected Property

- The *Contractor* shall comply with the health and safety requirements contained in SAS0012: Duvha Power Station Contractors safety manual (latest revision obtainable from the *Service Manager*.
- SHE project documents are compiled and completed by the *Contractor* and submitted to the *Employer* before taking possession of the works.
- SHE file documents are valid for the duration of the works.
- The *Contractor* and all his personnel attend a Health and Safety Induction Course prior to starting with the *works*.
- The induction course is presented by the Safety Risk Department at Duvha Power Station.
- The *Contractor* makes arrangements with Safety Risk Management at telephone number 013-690-0143.
- The *Contractor* submits all the documents as indicated in the Safety, Health & Environmental Specifications relevant to the work to Safety Risk Management before the induction course.
- Training and Competency Records with regard to the skills he uses to carry out the *works* or any other works in the *Employers* premises.
- Compensation Commissioner record and proof of registration shall be submitted.
- Records and documentation with regard to any sub-contractor or labour-only contracts he places or uses to carry out the *works* or any other works in *Employers* premises.
- Personal Protective Equipment and Safety Equipment Inspection, training and competency records and documentation.
- Employment contracts for all sub-contractor or labour-only contracts.
- Compliance to a Safety System, such as NOSA or any other system that is similar in nature.
- Records of all incidents or accidents, and vehicle accidents, incurred during execution of this *works* or any other works in the *Employers* premises.
- Records of all man-hours, including sub-contractors or labour-only contracts, the *Contractor* spends on the *Employers* premises.
- Written Safe Work Procedures for all hazardous tasks the *Contractor* executes on the *Employers* premises.
- A Fall Protection Plan for all elevated work the *Contractor* does on the *Employers* premises.
- Environmental Plan and awareness training.
- Induction training records of his staff by himself/herself.
- Minimum wage compliance for the different skills and to which Bargaining Council compliance is made to and proof of membership, if any.

- Risk Assessment of this type of works
- Proof of authorisation/accreditation from Department of Labour and or other Statutory Body for this type of works, if applicable.
- Emergency Evacuation and Rescue Plan for the hazardous tasks related to the works.
- The *Contractor* provides a First Aid service to his employees and subcontractors. In the case where these prove to be inadequate, like in the event of a serious injury, the *Employer's* Medical Centre on site located next to Unit 2 Front Side and facilities will be available.
- Outside the *Employer's* office hours, the *Employer's* First Aid Services are only available for serious injuries and life-threatening situations.

5.4 Records of *Contractor*'s Equipment

- In case the *Contractor* brings his own Equipment to site, the *Employer* will need to have SANS specified inspections and safety certificates of Equipment before use on site.
- The *Contractor* keeps accurate records of Equipment, and these records are open to audit. All documentation is kept by the *Contractor* for a period of three years following Completion of this contract.

5.5 Equipment provided by the *Employer*

- The *Employer* allows the *Contractor* to use Overhead Cranes and Hoists, provided the *Contractor's* employees are authorised Lifting Machine operators.
- The *Employer* provides scaffolding; the request shall be made on time through the *Service Manager* or his/ her representative.
- Should the *Contractor* require using any of the *Employer's* Equipment, including compressed air, electricity, water supply and crane, it must be specified by the *Contractor* during the kick off meeting. The *Employer* does not guarantee continuity of supply of any of Equipment.
- The *Employer* shall be entitled to withdraw use of the said Equipment, should proper maintenance and cleanliness not be ensured. In that event, the *Contractor* shall be obliged to provide the necessary Equipment at his own cost.
- The *Contractor* is responsible for the repair, replacement or correction as necessary of all pieces of tools and equipment supplied by the *Employer* which are damaged and / or lost whilst in the *Contractor*'s custody and control.
- The *Contractor* Site Manager must ensure that any one of his employees or Sub-*Contractor*, operating hoist equipment belonging to the *Employer,* is authorised by an Accredited Company and retraining is done annually. Arrangements for training courses

can be made via Duvha Power Station Maintenance Training, but the *Contractor* will absorb costs.

- A copy of this accredited and valid training certificate must be given to the *Employer's Supervisor*, who will then arrange access for usage.

5.6 Site services and facilities

5.6.1 Provided by the *Employer*

a) Potable Water Supply
   - Potable water is available at the existing points. The *Contractor* provides his own water pipes and fittings from the supply water point to their offices.

b) Electrical Power Supply
   - Power is available at the existing points.
   - The Contractor provides his own portable 380V electrical distribution boards, and supply cables to and from the boards, for all his power supply requirements to execute the works.
   - All *Contractors'* Electrical Distribution Boards are earthed to the steel structure of the plant.

c) Toilet Facilities
   - The *Employe*r has existing ablution facilities on the plant but their availability is not guaranteed hence it is advisable that the *Contractor* provides ablution facilities for its personnel.

d) Catering Facilities
   - The *Contractor* is not allowed to use the *Employer's* dining facilities, unless a specific agreement has been made between the *Contractor* and *Eskom* Catering and Accommodation Services (ECAS).
   - The *Contractor* may buy take away meals from the fast foods outlet on site provided they are making orders on time.

e) Medical Facilities
   - The *Contractor* provides a First Aid service to his employees and subcontractors. In the case where these prove to be inadequate, like in the event of a serious injury, the *Employer's* Medical Centre and facilities will be available.
   - Outside the *Employer's* office hours, the *Employer's* First Aid Services are only available for serious injuries and life-threatening situations.
   - The *Employer* recovers the costs incurred, in the use of the above *Employer's* facilities, from the *Contractor.*

5.6.2 Provided by the *Contractor*

- The *Contractor* provides sites offices, VIP ablution facilities and dining area facilities as required for use by the *Contractor* employees once on site and all other facilities they deem

necessary in executing the work as quoted for in the site establishment and de-establishment costs.

- ***Potable electrical distribution board***
  - ❖ The *Contractor* provides his own potable 380V electrical distribution boards, and supply cables to and from the boards, for all his power supply requirements to execute the *works*.
  - ❖ *Contractors*' Electrical Distribution Boards complies with the OHSA as referred to in the Electrical Installation Regulations and the Electrical Machinery Regulations.
  - ❖ Each board brought onto site must have a Certificate of Compliance issued by an accredited electrician.
  - ❖ The *Employer* connects distribution boards to a 380V three-phase AC power supply, only after the *Contractor* has submitted the valid Certificate of Compliance.
  - ❖ All *Contractors*' Electrical Distribution Boards are earthed to the steel structure of the plant
- The *Contractor* provides transport for material and people to site.
- Upon completion of the contract, the *Contractor* must take out and remove all facilities, electrical distribution board, pipes and cables she/he brought on site. The site must be rehabilitated and brought back into it original state.

5.7 Control of noise, dust, water and waste

- The *Contractor* shall take all responsible measures to minimise any dust nuisance, pollution of stream and inconvenience to or interference with public as a result of the execution of the works.
- The *Contractor* must put safety signs and barricade the working area to prevent people coming near the working area to minimise exposure to noise and dust.
- The *Contractor* shall remove all rubble and dispose it to the allocated waste bins as according Duvha Waste Management Procedure (EVP0005).

5.8 Hook ups to existing works

- The *Contractor* must have expertise and experience in compensators replacement in order to work on or around existing works.
- The working area has plant components that are installed on the floor, roof ceiling, cable tunnel area and side walls or columns which make the access to certain areas restricted.
- The *Contractor* shall take into consideration other plant systems or components that are present and pose obstructions to the works required. Not all obstructions can be removed completely in-order to gain free movement in the working space.

- The *Contractor* must make ways and finds method to work around safely while the plant is in operation.

5.9 Tests and inspections

5.9.1 Description of tests and inspections

- All valves must be inspected and tested in the presence of the *Engineer* and *Technical Support Services personnel* prior release from the Contractor's workshop.
- All work must be inspected and approved by the *Engineer*, *Technical Support Services personnel* and Service Manager before it may be deemed as complete.
- The *Contractor* shall provide and submit to the *Service Manager* for acceptance the certificate/s of compliance for all tests and inspections done in line with QCP.

List of drawings

6.1 Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title

Note: Additional Drawings for plant specifics will be provided when required; this is subject to the availability of the drawings on Eskom's drawings documentation storage system