NEC3 Term Service Contract (TSC3)

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

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

for **The SDD Oil Separator Plant Repair**

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:

Title of the Contract

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 or C	The offered total of the Prices exclusive of VAT is	**R [●]**
Option E	The first forecast of the total Defined Cost plus the Fee 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]	**R [●]**
	(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	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
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

.....
(Insert name and address of organisation)

Name & signature of witness .....

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	**[●]**	**[●]**
6	**[●]**	**[●]**
7	**[●]**	**[●]**

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*

[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)

1. Please read the relevant clauses in the conditions of contract before you enter data. 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.

2. Some TSC3 options are always selected by Eskom Holdings SOC Ltd. The remaining TSC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "**[•]" -** data is required to be inserted relevant to the specific option selected.]

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

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	
		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.	**013 680 3023**
	Fax No.	
10.1	The *Service Manager* is (name):	**Ntombifuthi Ngwenya**
	Address	**Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank]**

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

	Tel	**013 6803023**
	Fax	
	e-mail	**NgwenyPN@eskom.co.za**
11.2(2)	The Affected Property is	**Kusile Power Station**
11.2(13)	The *service* is	**The SDD Oil Separator Plant Repair**
11.2(14)	The following matters will be included in the Risk Register	**Labour unrest**
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	**24 hours**
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.	**15 October 2026**
30.1	The *service period* is	**3 months**
4	**Testing and defects**	**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**
5	**Payment**	
50.1	The *assessment interval* is	**between the 27th 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	**Four weeks after invoice received**
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**	**Any work or task undertaken outside the agreed scope of work**
7	**Use of Equipment Plant and Materials**	**1. The contract to provide their equipment in the plant. Third party equipment and plant used at own risk** **2. The *Contractor* will provide all trademan's tools not listed in the Price List.**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**1. Environmental contraventions** **2. Contraventions to emissions licences** **3. Non-compliance with the water use licence**
83.1	The *Employer* provides these insurances from the Insurance Table	**as stated for "Format TSC3" available on** http://www.eskom.co.za/live/content.php?Item_ID=9248 **(See Annexure A for basic guidance).**
83.1	The *Employer* provides these additional insurances	**as stated for "Format TSC3" available on** http://www.eskom.co.za/live/content.php?Item_ID=9248 **(See Annexure A for basic guidance)**
83.1	The minimum amount of cover for insurance against loss and damage caused by the *Contractor* to the *Employer*'s property is	**the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on** http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the *Employer* is:	**the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on** http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for insurance in respect of 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 for any one event is:	**whatever the *Contractor* deems necessary in addition to that provided by the *Employer*.**
83.1	The minimum limit of indemnity for insurance in respect of 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 for any one event is:	**As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the *Contractor's* common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..**
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	**4 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).**
	Address	**[●]**
	Tel No.	**[●]**
	Fax No.	**[●]**
	e-mail	**[●]**
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	**[●] 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.	[●]	[●]
0.	[●]	[●]
0.	[●]	[●]
0.	[●]	[●]
0.	[●]	[●]
[●]	non-adjustable	
1.00		

X17	**Low service damages**	
X17.1	The *service level table* is in	**Rework for each Activity on SOW due to poor workmanship the Contractor will be repaired at contractors' expense and the contractor will be subjected to the below penalties:** **A penalty amount totalling 5% will be deducted on task order assessment for each rework performed on SOW due to poor workmanship.** **A penalty amount totalling 15% will be deducted on task order assessment for each rework which instituted a production risk or load loss due to poor workmanship** **A penalty amount totalling 50% will be deducted on task order assessment for rework on SOW which instituted a catastrophical failure, risk to plant or humans in the Kusile Power station premises** **Delay damages** **Any delay of SOW execution which passes the deadline as agreed upon in writing by Employer and contractor will institutes a penalty amount of 2% daily until the SOW is complete is returned to Eskom Kusile site. Contractor will be expected to start as per the scheduled program date and finish as per the completion date provided on schedule**

X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**
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 to his design of an item of Equipment is limited to	**The greater of** • **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	**6 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	**1 day of receiving the Task Order**
Z	**The *additional conditions of contract* are**	**Z1 to Z14 always apply.**

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	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> 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	The amount required by the applicable law

in connection with this contract	

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 minimum lir 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 Measurements	means measurements performed in parallel, yet separately, to existing 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: Job Responsibilities: Qualifications:	

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

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**
C	**Target contract with price list**	
11.2(12)	The *price list* is in	
11.2(20)	The tendered total of the Prices is	**R**
E	**Cost reimbursable contract**	
11.2(12)	The *price list* is in	

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

1. 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.

2. 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.

3. 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).

4. 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.

4.1. 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*

ANNEX A
BOQ

PART 3: SCOPE OF WORK

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C3.2	*Contractor*'s Service Information	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

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Description of the *service*
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For an executive overview of the *Employer*'s service information refer to the Kusile document KUS-20260967, The SDD Oil Separator Plant Repair at Kusile Power Station

Employer's requirements for the *service*

For the detailed *Employer*'s requirements for the service refer to the Kusile document KUS-20260967 The SDD Oil Separator Plant Repair at Kusile Power Station

Management strategy and start up.
The *Contractor*'s plan for the *service*

1 Description of the *service*

Introduction

The Oil Water Separator (OWS) Plants at Kusile Power Station form a critical part of the station's environmental compliance and pollution prevention infrastructure. The purpose of the OWS Plants is to separate oil, grease and hydrocarbons from contaminated water prior to discharge or further treatment. The reliable operation of these plants is essential to ensure environmental compliance, protect surrounding ecosystems, minimise pollution risks and support the safe operation of Kusile Power Station.

The OWS Plants comprise electrical, control, instrumentation, protection, pumping and monitoring systems which operate together to provide the required oil-water separation functionality. Following vandalism and theft incidents, both Oil Water Separator Plants located within the same operating area were extensively damaged. The theft affected the associated Motor Management Centres (MMCs), Distribution Boards (DBs), power and control cabling, instrumentation cabling, electrical protection equipment, control equipment, earthing conductors, cable terminations, KKS identification tags, equipment labels and associated plant infrastructure.

The pumps, motors and cable racks remain installed in their original positions and are generally intact; however, the electrical and control infrastructure has been rendered non-operational. This project is a restoration project and not a plant redesign project. The existing approved drawings shall remain the governing design documents for the execution of the works. No new plant design drawings are required for the restoration of the existing installations. The only approved enhancement to the existing plant configuration shall be the provision of new containerised enclosures to house and protect the MMCs from environmental conditions, vandalism and theft.

Supporting Clauses

Scope

Purpose

The purpose of this project is to restore both OWS Plants to their original design and operational condition using the existing approved drawings, cable schedules, KKS schedules, OEM databooks and technical documentation provided by Kusile Power Station.

Applicability

This document is applicable to Kusile Power Station.

Effective date

This document is effective from the date of authorisation until its succeeding document has been authorised.

Normative/Informative References
Parties using this document shall apply the most recent edition of the documents listed in the following paragraphs.

Normative

[1] ISO 9001 Quality Management Systems

[2] Insert normative document references here.

[3] Act No 73 of 1989: The Environment Conservation Act No 107 of 1998: National Environmental Management Act, 1998

[4] Act No 14 of 2009: The National Environmental Act, 1989

[5] Act No 102 of 1980: National Key Points Act, 1980

[6] Act No 36 of 1998: National Water Act, 1998

[7] Act No 85 of 1993: Occupational Health and Safety Act & Regulations, 1993.

[8] GGR 0992: Plant Safety Regulations

[9] Act No 14 of 2009: The National Environmental Laws Amendment Act, 2009

[10] Act No 73 of 1989: The Environment Conservation Act, 1989

[11] 32-846 Rev 0 Operating Regulations for High Voltage Systems

[12] 240-134613227 List of Hazardous plant areas

[13] NMP47-7 Rev 0: Application of KKS Plant Coding

[14] Contractor OHS Management Strategy

[15] Contractor Safety Improvement Plan

[16] GGSS 1181: Specification for chemical product and material used in a power

Informative

[17] Insert informative document references here.

[18] 414 - 32 Rev 0: Kusile Maintenance User Requirement Specification

[19] 32 - 726 Rev 0: Mandatory S.H.E. Requirements for the Eskom Procurement and Supply Chain Management Process

[20] 237 - 0016 Rev 0:Integrated Business Improvement – prevention and improvement standard

[21] GGR 0992: Plant Safety Regulations

[22] NMP47-7 Rev 0:Application of KKS Plant Coding

[23] 36 -702 Rev 1: Remnant Life Monitoring

[24] GGSS 1181:Specification for chemical product and material used in a power plant

[25] GVLIR 0007:Safety, Health and Environment Specifications for Contractors

[26] ESKASAAA3:Eskom approval of personnel performing quality related special processes.

[27] 32-726 Annexure C: S.H.E. Requirements for Tender Enquiries

[28] 32-726 Annexure D: S.H.E. Tender Evaluation and Scoring Card

[29] 32-726 Annexure E: Supplier Suspension

[30] 36 – 942: Arc Flash Protection Specification

Definitions

Availability: Period when a system is operating satisfactory when used under specified conditions.

Contractor: Service provider contracted to provide a specific service to Eskom, Kusile Power Station.

Employer: Eskom, or Eskom Kusile Power Station or representative.

Kwena: Anti-theft earthing cable

Abbreviations

Abbreviation	Explanation
AC	Alternating Current
KW	Kilowatt's
LV	Low Voltage (less than 1000V)
OEM	Original Equipment Manufacturer
ORHVS	Operating Regulation for High Voltage Systems
PPE	PPE Personal Protective Equipment
PSR	PSR Plant Safety Regulations
QCP	Quality Control Plan
SHE	Safety, Health and Environment
SOW	Scope of Work
URS	User Requirements Specification
VSD	Variable Speed Drive
V	Volts
QCP	Quality Control Plan
OWS	Oil Water Separator
MMC	Motor Management Centres
DB	Distribution Boards
KKS	Kraftwerk-Kennzeichensystem
FAT	Factory Acceptance Test
SAT	Site Acceptance Test
SANS	South African National Standard
ISO	International Organisation for Standard
TBA	To Be Announced

Roles and Responsibilities

2.5.1 Contractor

a) All Contractor employees shall comply with Eskom's policies and site regulations, adherence to Eskom's cardinal rules, smoking policy, zero tolerance on alcohol usage, etc. These requirements will be detailed during the induction training process.

b) The number of maintenance staff required to execute the works is to be recommended by Kusile, but the Contractor is responsible for allocating adequate resources in order to provide the required services, after his/her assessment of the scope of work and submitted to the Employer for approval.

c) The successful Contractor shall utilise/provide skilled and suitably qualified staff (in line with

Eskom Job specifications) with current experience in the following but not limited disciplines;

a) Competent Maintenance Person according to OHS Act
b) Occupational Health and Safety Act 85 of 1993
c) NEC contract management
d) Quality Management Control and Assurance procedures
e) Plant Safety Regulation authorisation
f) Spares optimisation
g) Plant optimisation and commissioning
h) Procedure writing
i) BOM compilation

d) Staff must meet minimum requirements of Eskom job descriptions, with additional requirements specified.

e) All personnel, certificates, will be kept valid and submitted to Eskom upon request

Safety file must be approved before contract commences, the requirements may be requested from the safety department

f) Proof of qualification is to be supplied on request by the Employer.
g) The Contractor ensures that all staff being brought to Kusile PS site has a valid fitness for duty certificate based on the specified plant man-job specification.
h) The successful Contractor shall utilise/provide skilled and suitably qualified staff (in line with Eskom Job specifications) with current experience of the scope.
j) All staff brought onto site in connection with this work scope should be able to fluently speak, understand and write in English.
k) The Contractor shall employ in and about the execution of the works only such persons that are careful, competent and efficient in their several trades and callings and the Employer shall be at liberty to object to and require the Contractor to remove from the works forthwith any person employed by the Contractor in or about the execution of the works who, in the opinion of the Employer, misconduct's himself or is incompetent or negligent in the proper performance of his/her duties and such person shall not be again employed for the works without the written permission of the Employer.
l) Ensures proper behaviour of personnel under his/her supervision as per the Kusile culture.
m) Ensures training of all personnel under his/her supervision. The training required will include but not limited to Eskom safety training requirements.
n) Ensures that throughout the duration of the contract that they conform and adhere to the safety, health and environment regulations as stipulated in the Kusile Maintenance URS.
o) The Contractor shall be responsible or held liable for any defects arising from poor workmanship performed by their staff, within a 48hours period from the time that the equipment is put into operation including collection and delivery to site.
p) The contractor must provide all the required PPE to his staff during any site visit
q) The contractor must ensure that all the necessary induction has been done before any work will start.

r) The contractor must ensure before any work is carried out, the correct equipment and hand tools is available to his staff and that it is in a good and safe working condition and complying to all OHSA requirements.

s) The contractor must assist the Security Department by providing a name list and copies of identity documents for all the workers at least one day before coming on site.

Process for Monitoring

a) Risk assessment shall be done and documented/filed for each task.
b) Safe work procedures or temporary work procedures shall be available and used for each job.
c) All documentation required to complete work shall be referenced and filed for future reference. (Test results, reports, drawings etc.) All documentation to be completed and filed – test sheets, test results, technical reports, drawings etc.
d) Perform toolbox talks, discuss and fill risk assessment, ensure you're in possession of the correct drawings, correct check sheet, correct work procedure, correct QCP's and you're at the correct plant including hazardous environments.
e) The contractor must supply with the tender an approved and signed copy of the "contractor's safety management policy".
f) The contractor must identify all potential hazardous tasks in the Works Information and prepare safe working procedures to issue to his staff before any work will start.
g) The contractor must familiarize himself with the works and must make available his specific "housekeeping" action plans to ensure that the working areas and surroundings are kept safe and tidy during the duration of the works and after the work is completed successfully

Works information

The Service Provider shall provide all labour, supervision, engineering support, transport, tools, testing equipment, materials, consumables and services necessary to execute the complete restoration of both vandalised OWS Plants.

The Scope of Work shall include, but not be limited to, the following:

SITE INSPECTION AND VERIFICATION

The Service Provider shall:

- Conduct a comprehensive site inspection.
- Verify the extent of theft and vandalism.
- Verify all equipment locations against approved drawings.
- Verify the condition of the pumps and motors.
- Verify all cable routes.
- Verify all cable rack installations.
- Verify existing power supply arrangements.
- Verify station earthing connection points.
- Verify all remaining KKS identifications.
- Verify existing cable numbers and equipment numbering.
- Verify the condition of the remaining plant infrastructure.
- Report discrepancies between site conditions and documentation.

DESIGN BASIS AND RESTORATION PHILOSOPHY

The Service Provider shall note that this project is a restoration project and not a plant upgrade or redesign project.

The Service Provider shall:

- Restore both OWS Plants to their original operational condition.
- Restore all equipment in accordance with the existing approved drawings.
- Restore all cable installations in accordance with the existing cable schedules.
- Restore all terminations in accordance with the approved termination drawings.
- Restore all KKS identifications in accordance with the existing KKS schedules.
- Restore all control and instrumentation systems in accordance with the approved design documentation.
- Restore all protection systems in accordance with the approved drawings.
- Restore all earthing systems in accordance with approved earthing drawings and station standards.

The existing drawings included in Appendix A.1 shall be used as the governing design documents.

No new plant design drawings shall be required for the restoration of the existing plant.

The Service Provider shall only produce:

- Redline drawings.
- As-built drawings.
- Updated schedules where approved by Kusile Power Station.
- Commissioning documentation.

The addition of new MMC containers shall be incorporated into the final as-built documentation.

SUPPLY OF PLANT, EQUIPMENT AND MATERIALS

The Service Provider shall supply and deliver all equipment, components and materials required for the complete restoration of both plants.

The supply shall include all equipment identified in Appendix A.2, including but not limited to:

Electrical Equipment

- Motor Management Centres (MMCs).
- Distribution Boards (DBs).
- Circuit breakers.
- Contactors.
- Overload relays.
- Protection relays.
- Control relays.
- Control transformers.
- Terminal blocks.
- Selector switches.
- Push buttons.
- Indication lamps.
- Internal wiring.
- Surge protection devices.

Cabling

- Power cables.
- Control cables.
- Instrumentation cables.
- Earthing conductors.
- Cable glands.
- Cable lugs.
- Ferrules.
- Cable markers.
- Cable cleats.
- Cable supports.

Instrumentation Equipment

- Instruments.
- Junction boxes.
- Marshalling equipment.
- Instrument termination equipment.
- Signal interfaces.

Ancillary Equipment

- Termination boxes.
- Labels.
- KKS tags.
- Name plates.
- Stainless steel mounting hardware.
- Safety signage.
- All equipment shall be new and compliant with the approved drawings and OEM requirements.

RESTORATION OF BOTH MMCs

Two MMCs serving the two OWS Plants were vandalised and stripped of equipment.

The Service Provider shall:

- Supply replacement MMC assemblies.
- Remove damaged equipment.
- Install replacement equipment.
- Restore all power circuits.
- Restore all control circuits.
- Restore all protection circuits.
- Restore all instrumentation interfaces.
- Restore all internal wiring.
- Restore all terminal wiring.
- Restore all KKS identifications.

- Restore all safety notices and warning labels.

REPLACEMENT OF DISTRIBUTION BOARDS

- The Service Provider shall:
- Remove damaged DBs.
- Supply new DBs in accordance with the approved drawings.
- Install all switchgear and protective devices.
- Install all internal wiring.
- Complete all power and control terminations.
- Install all KKS labels.
- Install all equipment identification labels.
- Perform testing prior to energisation.

SUPPLY AND INSTALLATION OF MMC CONTAINERS

To improve protection against adverse weather conditions and future theft, the Service Provider shall provide new containerised enclosures for both MMC installations.

Container Supply

The Service Provider shall:

- Supply four new container units.
- Provide one container per MMC.
- Provide 3-metre steel containers suitable for industrial applications.
- Provide weatherproof and corrosion-resistant containers.
- Provide lockable anti-theft doors and locking arrangements.

Civil Works

The Service Provider shall:

- Carry out all necessary civil works.
- Excavate and prepare the installation areas.
- Design and construct reinforced concrete foundations.
- Construct concrete plinths.
- Install anchor bolts and mounting structures.
- Reinstate disturbed surfaces and infrastructure.

Container Services

- Each container shall be equipped with:
- Internal lighting.
- Internal power outlets.
- Ventilation systems.
- Industrial air-conditioning systems.
- Cable entry systems.
- Equipment mounting arrangements.

- Safety signage.

Container Earthing

- The Service Provider shall:
- Connect each container to the station earth mat.
- Bond all metallic structures.
- Bond container doors.
- Bond cable gland plates.
- Bond internal frames.
- Test and certify all earth connections.

Container Identification

- The Service Provider shall:
- Install KKS labels on each container door.
- Install container identification labels.
- Install warning notices.
- Install internal equipment identification labels.

RESTORATION OF POWER, CONTROL AND INSTRUMENTATION CABLING

The Service Provider shall:

- Supply and install all stolen power cables.
- Supply and install all control cables.
- Supply and install all instrumentation cables.
- Utilise the existing cable racks.
- Secure and dress all cables.
- Install cable cleats.
- Install cable markers.
- Install ferrules.
- Install cable identification tags.
- Restore all cable numbers in accordance with existing plant documentation.

All cable sizes, specifications and ratings shall be as detailed in Appendix A.2.

EXISTING POWER CABLE JOINTING

An existing power cable remains on site and shall be incorporated into the restored installation.

The Service Provider shall:

- Supply a new termination box.
- Install the new termination box.
- Joint the existing cable through the termination box.
- Supply all glands, lugs and jointing materials.
- Perform insulation resistance testing.
- Perform continuity testing.
- Verify phase rotation.

- Verify cable integrity.
- Provide test reports.

EARTHING SYSTEM RESTORATION

All stolen earthing conductors shall be replaced.

The Service Provider shall fully restore the station earthing system associated with both OWS Plants.

Structural Earthing

- The Service Provider shall supply and install:
- Aluminium earthing conductors for structures.
- Aluminium earthing conductors for cable racks.
- Aluminium earthing conductors for support steelwork.
- Aluminium earthing conductors for container structures.
- Aluminium earthing conductors for metallic plant structures.

Active Electrical Earthing

- The Service Provider shall supply and install:
- KWENA equivalent insulated earth cables.
- Insulated earth conductors for MMCs.
- Insulated earth conductors for DBs.
- Insulated earth conductors for motors.
- Insulated earth conductors for instrumentation systems.
- Insulated earth conductors for active electrical equipment.
- The Service Provider shall:
- Connect all equipment to the station earth mat.
- Restore all earth bonds.
- Restore all earth continuity paths.
- Test all earth connections.
- Perform earth continuity tests.
- Perform earth resistance tests.
- Submit certified test reports.

RESTORATION OF KKS, CABLE NUMBERING AND LABELLING

The Service Provider shall restore the complete plant identification and labelling system.

The Service Provider shall:

- Verify all existing KKS tags.
- Verify all existing cable numbering.
- Verify all existing equipment labels.
- Restore missing KKS identifications.
- Restore damaged KKS identifications.
- Restore missing cable numbers.
- Restore equipment labels.

- Restore motor labels.
- Restore pump labels.
- Restore instrumentation labels.
- Restore MMC labels.
- Restore DB labels.
- Restore container labels.

All labels shall match the existing plant identification system.

MOTORS AND PUMPS

The Service Provider shall:

- Inspect all motors.
- Inspect all pumps.
- Verify insulation resistance.
- Verify winding condition.
- Verify equipment integrity.
- Restore all power connections.
- Restore all control connections.
- Verify rotation direction.
- Conduct functional testing.
- Conduct operational testing.

CONTROL AND INSTRUMENTATION RESTORATION

The Service Provider shall:

- Restore all field instrumentation.
- Restore all control systems.
- Restore all alarms.
- Restore all indications.
- Restore all interlocks.
- Restore all monitoring functions.
- Restore all process control functions.

The Service Provider shall perform:

- Loop checks.
- Calibration verification.
- Functional testing.
- Alarm testing.
- Interlock testing.
- Signal verification.

TESTING AND COMMISSIONING

The Service Provider shall perform complete testing and commissioning of both OWS Plants.

Testing shall include:

Electrical Testing

- Insulation resistance testing.
- Continuity testing.
- Earth continuity testing.
- Cable testing.
- Protection testing.
- Functional testing.
- Phase rotation verification.

Instrumentation Testing

- Loop checks.
- Alarm testing.
- Interlock testing.
- Functional testing.
- Signal verification.

Mechanical Testing

- Pump testing.
- Motor testing.
- Operational testing.

Integrated Plant Testing

- Manual operation verification.
- Automatic operation verification.
- Interlock verification.
- Sequence testing.
- End-to-end functionality testing.

DOCUMENTATION, DATABOOKS AND HANDOVER

The Service Provider shall submit:

- OEM databooks.
- Equipment manuals.
- Factory test certificates.
- Calibration certificates.
- Cable test reports.
- Earthing test reports.
- Inspection reports.
- FAT documentation.

- SAT documentation.
- Commissioning reports.
- Redline drawings.
- As-built drawings.
- Updated cable schedules.
- Updated KKS schedules.
- Quality dossiers.

The plant shall only be considered complete upon successful commissioning, submission of all documentation and formal handover to Kusile Power Station.

REFERENCES

All work shall be carried out in accordance with:

- Existing Approved Electrical Drawings.
- Existing Approved MMC Drawings.
- Existing Approved DB Drawings.
- Existing Approved Control Drawings.
- Existing Approved Instrumentation Drawings.
- Existing Approved Earthing Drawings.
- Existing Approved Cable Routing Drawings.
- Existing Approved KKS Schedules.
- Existing Approved Cable Schedules.
- Existing Approved Termination Drawings.
- OEM Databooks.
- Eskom Standards and Specifications.

Applicable SANS Standards Repair

a) Any spares requiring repairs shall be approved by Eskom.
b) Eskom may require emergency
c) Documentation will be kept by Contractor for record purposes stating the value of spares purchased. Authorisation will be done by Contract Supervisor.
d) No extra cost will be charged for the use of equipment and traveling, which is included in the proposal. This does not include traveling to purchase spare parts.

Transport

The supplier is responsible and accountable for the transporting of any spares and his employees to site for the duration of the works to Kusile Power Station.

Continuous Improvement

a) The Contractor shall implement a continuous improvement program to optimise Plant performance and reduce system and equipment failures.

Management and Reporting

a) The type of reports, level of detail and frequency of reporting will be mutually agreed by the Employer and the Contractor. These may change from time to time on request by the Employer.

Quality and Documentation Control

a) The Contractor shall submit a QCP which will be overseen by Eskom and will ensure that the relevant documentation is available on site to manage the scope and related programs.

b) The Contractor shall ensure that all measuring and test equipment is calibrated at all times & proof thereof must be readily available.

c) The Contractor shall adhere to all 'Quality References' and 'Standards' applicable to this SOW.

General

a) The Contractor shall execute the works within the times stipulated on the works order.
b) The Contractor shall ensure that any witness, hold points are strictly adhered to.
c) Before work starts on site, an inaugural meeting is held with the Contractor and the employer, to explain in detail all the requirements of the site regulations and SOW.

d) All works will be subject to anytime inspection from the Employer.

Communication and Correspondence

a) All correspondence includes:

i. Kusile Power Station

ii. Employer's Contract number

iii. Contract description

iv. Correspondence subject matter

v. Employer's name and contact details

vi. Contractor contact details

vii. Contract Date

b) Where appropriate the correspondence includes the Employer's reference and is delivered as a single package.

c) All communications from the Contractor are numbered sequentially with a prefix as advised by the Employer. The Employer responds in like manner. The prefix and numbering system is decided upon at the Inaugural meeting.

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:
Risk register	As and when required	Kusile Power Station	*Employer and Contractor* ___
Overall contract progress and feedback	Daily	Kusile Power Station	*Employer and Contractor* ___

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.

The *Contractor's* representative and *Employer's* representative will hold monthly contract management meetings where all safety, quality and other contract issues will be discussed, which should include the following as a minimum

i. Review the overall performance of the contract.
ii. Formulate strategies to address loopholes should they be found.
iii. Review contract statutory compliance.
iv. The *Contractor* does not procure the services of sub-contractors / vendors / suppliers without the prior approval of the *Employer's Representative*. Furthermore, the contract between the *Contractor* and the sub-contractor must be aligned with this contract.

Meetings of a specialist nature may be convened by either party and at times and locations to suit the Parties, the nature and the progress of the *Service*.

All meetings shall be recorded using minutes and an attendance register (which must be signed by all present) prepared and circulated by the person who convened the meeting. All these documents must be kept safe for the duration of the contract and thereafter stored in the *Employer's* documentation centre. Regular meetings of a general nature may be convened and chaired by the *Service Manager*

Contractor's management, supervision and key people

The *Contractor* shall utilise/provide skilled and suitable qualified staff with experience in the following:
The SDD Oil Separator Plant Repair at Kusile Power Station
Maintenance reference to doc: KUS-2026096**7**

People

a) The *Contractor* shall employ staff members who meet the minimum requirements of Eskom job descriptions with additional requirements to be specified.
b) All staff brought onto site in connection with the scope of work of this contract should be able to fluently speak, understand and write in English.
c) The *Contractor* shall submit proof of qualifications and CV (experience and records) on request by the employer

Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Employer* may withhold payment of amounts due to the *Contractor* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Contractor* by the *Service Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Contractor* does not affect the *Employer*'s right to termination stated in this contract.

Documentation control

Eskom Holdings SOC Limited Document management procedure 32 – 6 will apply.

- Assessments
- Time sheets for time keeping
- Quality Control Plans
- Test reports:
-

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 SOC LIMITED
KUSILE POWER STATION
POSTNET SUITE 283
PRIVATE BAG x729
WITBANK
1035

_____
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;
- The Task Order number starting with 45* series;
- The due date for payment

Contract change management

Refer to the NEC3 Term Services Contract Core Clause 6, in the event that any changes to the contract must be managed.

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

The Contractor is required to keep record and submit proof of all actuals, in order to be verified at the completion of the Payment Certificate and Invoice assessment, should the *Service Manager* request to do so.

Insurance provided by the *Employer*

Refer to NEC3 Term Services Contract.

Training workshops and technology transfer

N/A

Design and supply of Equipment

The Contractor shall prepare a Quality Control Plan for the Electrical Maintenance scope of work and send it to the Employer to include intervention points (Hold, Witness and surveillance) to be adhered to during the repair and installation program.

The Contractor shall not proceed with any repairs or refurbishment points unless all the necessary inspections, witness or tests are conducted according to the Quality Control Plan. The Employer shall conduct such inspections to ascertain that work is conducted to the agreed upon quality standard. However, the liability for such designs, refurbishment, supply, and use of the Equipment remains with the Contractor.

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

All equipment removed from Eskom to contractor for any reason

Any Equipment (Assets) bought during the *service period*, will be transferred to the *Employer* at the end of the *service period*.

Information and other things

In the event that Information and other things are required, it will be discussed by the Parties, and provision of Information and other things will be mutually agreed upon.

Management of work done by Task Order

A Task Order starting with a 45* series number, will be issued to the *Contractor* at the beginning of each month. Response to the issued Task Order must be dealt with as per secondary option X19 of this agreement.

Work is to be done in accordance with the written Task Order issued by the Employer.

- All work done is valued in accordance with the Price List unless otherwise specified. Actual quantities will be determined where applicable based on the requirements of each Task Order. The Contractor provides all necessary information required by the Employer to determine the cost at the assessment date for monthly costs and for each Task Order.

Health and safety, the environment and quality assurance

Health and safety risk management

The *Contractor* shall comply with the health and safety requirements
as specified of The SDD Oil Separator Plant Repair at Kusile Power Station
SHE specification document Ref 240-126182811

Health and safety risk management

The Contractor shall comply with the health and safety requirements as follows:
- Annexure A
- Health and Safety Plan
- Costing for Health and Safety management
- Baseline OHS Risk Assessment (BRA)
- Valid Letter of Good Standing (COIDA or equivalent)
- OHS policy signed by CEO
- OHS Competency

Environmental constraints and management

The *Contractor* shall comply with the environmental requirements
as specified of The SDD Oil Separator Plant Repair at Kusile Power Station
SHE specification document Ref : **KUS-20260972**

The Contractor shall comply with the environmental criteria and constraints as follows:
- Environmental Policy

- Aspect and impact register or an environmental management plan (relevant to the scope of work)
- Environmental Management System Certificate (if certified) if not, an environmental management system manual or procedures
- Waste Management Plan
- Proof of training of persons performing activities that could have significant impact on the environment

Quality assurance requirements

The *Contractor* shall comply with the requirements of Eskom Supplier Contract Quality Requirements Specification document Ref QM-58.
- Quality Management System. (ISO 9001 or other QMS implemented)
- Evidence of QMS in operation: NCR's, CA, defined roles, responsibilities & authorities and Control of Externally Provided Processes, Products and Services
- Proposed project/contract quality plan (ISO 10005 guidelines)
- Draft Quality Control plan (QCP) as per and ISO 10005
- Customized requirements. 240-105658000 Form A, and other requirements as per Scope of work

Procurement

Contractor's procurement of plant Materials

a) The Contractor shall submit a list of all equipment and material purchased and asset register to the Employer for record keeping.

b) All equipment purchased by the Contractor and paid for by the Employer as part of this service will become the property of the Employer.

People

Minimum requirements of people employed

N/A

BBBEE and preferencing scheme

The *Contractor* will ensure that preference is given to local communities within the Delmas, Witbank and Bronkhorstspruit area. Contractor to adhere to the Kusile Project's localisation plan

Subcontracting

Preferred subcontractors

Any sub-Contractor appointed must be agreed to by both Parties, prior to the sub-Contractor delivering a service to the *Contractor*.

Subcontract documentation, and assessment of subcontract tenders

Where the Employer deems it necessary to review subcontract documentation and assessment of subcontract tenders, the Employer will request such information from the Contractor, which will be provided in a timeous manner.

Limitations on subcontracting.

The *Contractor* is limited to subcontract a maximum of 25%.

Attendance on subcontractors

Sub-contractors shall comply with working hours similar to those of Contractor and the Employer unless stipulated otherwise by Contractor. Managing and accountability of subcontractor attendance is the responsibility of the Contractor.

Plant and Materials

Specifications

Equipment and Plant provided by the *Contractor*, and the preventative maintenance thereof forms part of the Contractor's responsibility. Detailed equipment specification is the responsibility of the Contractor.

Correction of defects

The intension of this contract is preventative maintenance and not corrective maintenance; therefore, equipment failure will be dealt with in accordance with the warranties or guarantees on the plant. However, should a breakdown be experienced the *Contractor* will undertake repairs that restores the *Employer*'s Equipment to the OEM's specification.

Contractor to ensure faulty equipment and machinery is repaired promptly and without affecting operational processes. Availability and maintenance of third-party equipment is the responsibility of the Contractor.

The Contractor must make sure that all spares /Equipment are tested according to processes and procedures, which link to the Employer's processes and procedures.

All re-work will be done at the Contractor's cost.

***Contractor*'s procurement of Plant and Materials**

It is the Contractor's responsibility to procure the services of safe and reliable machinery however the Kusile localisation strategy must be complied with.

Tests and inspections before delivery

- It is the *Contractor*'s responsibility to ensure Spares/Equipment intended for use on this contract is inspected, tested and certified prior to delivery on site.
- The *Contractor* and the *Employer* must maintain communication regarding the tests and inspections that must be done and give feedback on the results obtained. The *Contractor* must notify the Employer in time for a test or inspection to be arranged and done before doing work which will obstruct the test or inspection.
  - The Contractor shall ensure that SOW execution are in accordance to the Employer's specifications and Scope of Work.
  - Employer reserve the right to reject Equipment which are delivered to site in a bad condition or if the are any signs of damage upon inspection at arrival to Kusile site or Main stores.

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

a. Water
b. Sanitary Facilities

Working on the Affected Property
Employer's site entry and security control, permits, and site regulations

- The Kusile Project Access Control Process will be strictly followed. Only once the Kusile Project allows hand over of the Affected Property to Kusile Generation the *Employer*'s security system will be used.
- Upon commercial operation of the first unit, the affected, the Affected Property will be declared a National Key Point (NKP), and all regulations, Laws and procedures relating to NKP, strict adherence will be implemented.
- The Contractor must comply with all the traffic regulations on site.

People restrictions, hours of work, conduct and records

5.2.1 People restrictions

- People are restricted to the Affected Property only.

Hours of Work.

N\A

5.3.2 Conduct

- The Contractor and his employees are required to always maintain professional and ethical conduct, that upholds the Eskom Values to the highest standard.

Records

N\A

Health and safety facilities on the Affected Property

The Contractor must familiarise his employees, including sub-*Contractors*, with the location of the medical services, first aid station(s) on site as well as the emergency preparedness procedure. All other requirements or facilities will be communicated to the Contractor by the *Service Manager*.

Environmental controls, fauna & flora

The *Contractor* shall comply with the environmental criteria and constraints stated in all applicable policies relating to the conservation of the Kusile fauna and flora.

Cooperating with and obtaining acceptance of Others

- Kusile Power Station is a construction site and therefore the Affected Property is shared and accessible by Others i.e. the OEM's, Kusile Project employees and construction personnel.
- Any interfaces with Others will be co-ordinated by Service Manager with the guidance of Kusile Project Department.

Records of *Contractor*'s Equipment

- The Contractor is expected to keep a proper detailed list of all Equipment brought to site.
- A copy of such a list will be submitted to the *Employer*.

- Revised and updated lists must be provided frequently as equipment is brought to site.

Equipment provided by the *Employer*

- Where the *Employer* does provide equipment, records thereof shall be kept by Employer.

Site services and facilities

Provided by the *Employer*

Refer to annexures for the detailed and agreed QS report

Provided by the *Contractor*

Refer to annexures for the detailed and agreed QS report.

Control of noise, dust, water and waste

- The Contractor will be required to use the appropriate PPE at all times to mitigate and minimise exposure to noise and dust.

Hook ups to existing works

N\A

Tests and inspections

Description of tests and inspections

The tests and inspections to be carried out by the *Contractor*, as per Kusile Power Station The SDD Oil Separator Plant Repair Scope of Work document : KUS-20260967

Materials facilities and samples for tests and inspections

Refer to : Kusile Power Station The SDD Oil Separator Plant Repair Scope of Work document : KUS-20260967

List of drawings
Drawings issued by the *Employer*