

# NEC3 Term Service Contract (TSC3)

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

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

**for Provision of Metallographic Testing (Replication-, Etching-  
& Chemical analysis services) on High Temperature and  
High Pressure components (HP Pipework, Headers and  
Auxiliary plants Units 1-6**

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

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## **PART C1: AGREEMENTS & CONTRACT DATA**

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**C1.2b Contract Data provided by the *Contractor***

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## 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:

**Provision of Metallographic Testing (Replication-, Etching- & Chemical analysis services) on High Temperature and High Pressure components (HP Pipework, Headers and Auxiliary plants Units 1-6**

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	<b>R [•]</b>
	Value Added Tax @ 15% is	<b>R [•]</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>R [•]</b>
	(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:

N/A

<sup>1</sup> 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**

No.	Subject	Details
1	[•]	[•]
2	[•]	[•]

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:**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Capacity \_\_\_\_\_

On behalf of *(Insert name and address of organisation)*

**For the Employer**

**General Manager**

**Tutuka Power Station**

Name & signature of witness \_\_\_\_\_

Date \_\_\_\_\_

## C1.2 TSC3 Contract Data

### Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option and secondary Options	<p>A: <b>Priced contract with price list</b></p> <p>W1: <b>Dispute resolution procedure</b></p>
		<p>X1: <b>Price adjustment for inflation</b></p> <p>X2: <b>Changes in the law</b></p>
		<p>X17: <b>Low service damages</b></p> <p>X18: <b>Limitation of liability</b></p>
		<p>X19: <b>Task Order</b></p> <p>X20: <b>Key performance indicators</b></p>
		<p>Z: <b>Additional conditions of contract</b></p>
	of the NEC3 Term Service Contract April 2013 <sup>2</sup> (TSC3)	
10.1	The <i>Employer</i> is (name):	<b>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</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>
	Tel No.	[•]
	Fax No.	[•]
10.1	The <i>Service Manager</i> is (name):	[•]
	Address	[•]
	Tel	[•]
	Fax	[•]

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 [www.ecs.co.za](http://www.ecs.co.za)  
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e-mail	[•]
11.2(2) The Affected Property is	<b>Tutuka Power Station</b>
11.2(13) The service is	<b>Provision of Metallographic Testing (Replication-, Etching- &amp; Chemical analysis services) on High Temperature and High Pressure components (HP Pipework, Headers and Auxiliary plants Units 1-6</b>
11.2(14) The following matters will be included in the Risk Register	<b>As stipulated in the Site information section of this contract</b>
11.2(15) The Service Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>
12.2 The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.1 The <i>language of this contract</i> is	<b>English</b>
13.3 The <i>period for reply</i> is	<b>24 Hours</b>
<b>2 The Contractor's main responsibilities</b>	<b>Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data</b>
21.1 The <i>Contractor</i> submits a first plan for acceptance within	<b>On Contract award, agreed between <i>Service Manager</i> and <i>Contractor</i></b>
<b>3 Time</b>	
30.1 The <i>starting date</i> is.	
30.1 The <i>service period</i> is	<b>60 Months</b>
<b>4 Testing and defects</b>	<b>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</b>
4.2.1 Correction Period	<b>The defective service will be inspected by both the <i>Service Manager</i> and <i>Contractor</i> and a decision made as to how the defective services are to be corrected. Any decision made will be agreed in writing.</b>
<b>5 Payment</b>	
50.1 The <i>assessment interval</i> is	<b>On Completion of each Task Order.</b>
51.1 The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2 The period within which payments are made is	<b>4 weeks.</b>
51.4 The <i>interest rate</i> is	<b>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</b>

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.

<b>6</b>	<b>Compensation events</b>	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
<b>7</b>	<b>Use of Equipment Plant and Materials</b>	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
<b>8</b>	<b>Risks and insurance</b>	<b>See Z clause 12</b>
80.1	These are additional <i>Employer's</i> risks	1. [•] 2. [•] 3. [•]
<b>9</b>	<b>Termination</b>	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.
<b>10</b>	<b>Data for main Option clause</b>	
<b>A</b>	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	<b>4 weeks.</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i>	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](http://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).**

**Will be appointed when a dispute arises**

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](http://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	<b>Price adjustment for inflation</b>	The tendered Rates will be fixed for the first year after subject to escalation according to the following formula with a base date for escalation;		
X1.1	The <i>base date</i> for indices is	<b>Date:</b>		
	<b>The proportions used to calculate the Price Adjustment Factor are:</b>	proportion	linked to index for	SEIFSA Index prepared by
		0.	3C(a)	[•]
		85%	Labour	[•]
		15%	non-adjustable	

		100%
X2	<b>Changes in the law</b>	<b>There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.</b>
X4	<b>Parent company guarantee</b>	<b>There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.</b>
X17	<b>Low service damages</b>	
X17.1	The service level table is in	<b>Appendix A on the 2<sup>nd</sup> last page of this document</b>
X18	<b>Limitation of liability</b>	
X18.1	The Contractor's liability to the Employer for indirect or consequential loss is limited to	<b>R0.0 (zero Rand)</b>
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	<b>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on <a href="http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx">http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</a></b>
X18.3	The Contractor's liability for Defects due to his design of an item of Equipment is limited to	<b>The greater of</b> <ul style="list-style-type: none"> <li><b>the total of the Prices at the Contract Date and</b></li> <li><b>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 in the Employer's assets and works / maintenance policies available on <a href="http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx">http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</a></b></li> </ul>
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	<b>the total of the Prices other than for the additional excluded matters.</b>  <b>The Contractor's total liability for the additional excluded matters is not limited.</b>  <b>The additional excluded matters are amounts for which the Contractor is liable under this contract for</b> <ul style="list-style-type: none"> <li><b>Defects due to his design, plan and specification,</b></li> <li><b>Defects due to manufacture and fabrication outside the Affected Property,</b></li> <li><b>loss of or damage to property (other than the Employer's property, Plant and Materials),</b></li> </ul>

		<ul style="list-style-type: none"> <li>death of or injury to a person and</li> <li>infringement of an intellectual property right.</li> </ul>
X18.5	The end of liability date is	[1] months after the end of the service period.
<b>X19</b>	<b>Task Order</b>	
X19.5	The Contractor submits a Task Order programme to the Service Manager within	Within the same day of receiving the Task Order
<b>X20</b>	<b>Key Performance Indicators (not used when Option X12 applies)</b>	To be initiated on contract award as per sample on last page. Appendix C
X20.1	The incentive schedule for Key Performance Indicators is in	Appendix B on the last page of this document. No incentives will be paid out for Key performance indicators
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	6 months
<b>Z</b>	<b>The additional conditions of contract are</b>	<b>Z always apply.</b>

### **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 Ethics**

Ethics

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor*'s obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).
- Z4.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

**Z5 Confidentiality**

- Z5.1 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.
- Z5.2 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*.
- Z5.3 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.

- Z5.4 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*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

**Z6 Waiver and estoppel: Add to core clause 12.3:**

- Z6.1 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.

**Z7 Health, safety and the environment: Add to core clause 27.4**

- Z7.1 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.
- Z7.2 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.

**Z8 Provision of a Tax Invoice and interest. Add to core clause 51**

- Z8.1 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.
- Z8.2 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.
- Z8.3 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.

**Z9 Notifying compensation events**

Z9.1 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.

**Z10 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)

Z10.2 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.

**Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":**

Z11.1 or had a business rescue order granted against it.

**Z11**

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 <i>Contractor</i> 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 influencing an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Contractor</i> , 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 too 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.

Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z 11.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Service 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 Service for this reason.

Z 11.3 If the *Employer* terminates the *Contractor*'s obligation to provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.

Z 11.4 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**

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

	insurance.
The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i> ) arising from or in connection with the <i>Contractor's</i> Providing the Service	<p><b>Loss of or damage to property</b> The replacement cost</p> <p><b>Bodily injury to or death of a person</b> The amount required by the applicable law.</p>
Liability for death of or bodily injury to employees of the <i>Contractor</i> 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**

<b>Insurance against or name of policy</b>	<b>Minimum amount of cover or minimum limit of indemnity</b>
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

PROJECT OR CONTRACT TITLE: - **Provision of Metallographic Testing (Replication-, Etching- & Chemical analysis services) on High Temperature and High Pressure components (HP Pipework, Headers and Auxiliary plants Units 1-6**

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

## C1.2 Contract Data

### Part two - Data provided by the Contractor

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):  Address  Tel No.  Fax No.	
11.2(8)	The <i>direct fee percentage</i> is %  The <i>subcontracted fee percentage</i> is %	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> 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: Experience:	

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

A	<b>Priced contract with price list</b>
11.2(12)	The <i>price list</i> is in

11.2(19) The tendered total of the Prices is

R

**PART 2: PRICING DATA****TSC3 Option A**

<b>Document reference</b>	<b>Title</b>
C2.1	Pricing assumptions: Option A
C2.2	The <i>price list</i>

## 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:

<b>Identified and defined terms</b>	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
(17) The Price for Services Provided to Date is the total of		
<ul style="list-style-type: none"> <li>• the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and</li> <li>• where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.</li> </ul>		
(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

Item no	Description Overheads	Unit	Expected Quantity	Rate	Price
1	Site establishment (as and when required)	EA	10		
2	Site de establishment (as and when required)	EA	10		
3	Travel per km, driver included	Km	109200		
4	Computer, including network	Day	273		
5	Printer	Day	273		
6	<b>Non-Destructive Examination</b>				
6.1	<b>Replication:</b>				
6.1.1	< 10 areas (All costs included)	EA	30980		
6.1.2	10-200 areas (All costs included)	EA			
6.1.3	> 200 areas (All costs included)	EA			
6.1.4	Replica call-out (All costs included)	EA	540		
6.2	<b>Etching:</b>		540		
6.2.1	Etching (All costs included)	EA	540		
6.2.2	Etching call-out (All costs included)	EA	540		
6.3	<b>PMI:</b>				
6.3.1	PMI – Machine only	Day	540		
6.3.2	PMI – Call-out (Incl. Technician)	EA	540		

The total of the Prices

**Note:**

- Tenderers shall allow in their rates for the cost of all labour, material, transport, training, accommodation, stationary (labels etc.), administration (computer & printer incl. cartridges & paper), PPE, induction, medicals, consumables, profit, computers, printers, supervision which may be incurred in the proper execution of the works (access, compressed air, etc.). This could also include, but not be limited to levies

**payable to any industrial councils, associations, etc. that may be due by the tenderer, the cost of compliance to legislation, for instance regarding Health and Safety (incl. Covid-19 related costs), compliance with Labour Legislation, etc.**

- Call out fee will be the same from Monday to Sunday, Public holidays included.

Provision for additional scope of work

Item no	Description Labour Rates	Normal time	Overtime	Overtime Sunday	Overtime Public Holiday
	Site Manager / Supervisor				
	QC controller (Replica metallurgist)				
	Replica level 1 Technician / Supervisor				
	Replica level 2 Technician / Supervisor				
	WT Supervisor / Technician				
	Safety Officer				
	Safety representative				
	Planner (Primavera competent)				
	Replica labeller				
	Storman				
	Time clerk				
	Data capturer				
	Assistant				
	Semi-skilled (Grinder & Fire watch))				

The total of the Prices (excluding) VAT

**Note:**

- Tenderers shall allow in their rates for the cost of all labour, material, transport, training, accommodation, stationary (labels etc.), administration (computer & printer incl. cartridges & paper), PPE, induction, medicals, consumables, profit, computers, printers, supervision which may be incurred in the proper execution of the works (access, compressed air, etc.). This could also include, but not be limited to levies payable to any industrial councils, associations, etc. that may be due by the tenderer, the cost of compliance to legislation, for instance regarding Health and Safety (incl. Covid-19 related costs), compliance with Labour Legislation, etc.
- Call out fee will be the same from Monday to Sunday, Public holidays included.

## PART 3: SCOPE OF WORK

<b>Document reference</b>	<b>Title</b>
C3.1	<i>Employer's Service Information</i>
C3.2	<i>Contractor's Service Information</i>

# C3.1: EMPLOYER'S SERVICE INFORMATION

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**Provision of Metallographic Testing (Replication-, Etching- & Chemical analysis services) on High Temperature and High Pressure components (HP Pipework, Headers and Auxiliary plants Units 1-6****C3.1 Service Information****1. Description of the service****1.1 Executive overview**

Non-destructive testing (NDT) also known as non-destructive examination (NDE) is the testing/examination of materials and components in an in-situ way that allows a component to be examined by various inspection methods without changing or destroying their usefulness. This is achieved through the use of various NDT techniques to search and detect surface and subsurface flaws (creep and fatigue). NDT plays a very essential role in the running of power plant, ensuring plant safety and reliability in a cost effective manner and ensure the integrity of High Temperature and Pressure components.

Metallographic Replication is used to record images of inhomogeneity's, both mechanical and metallurgical, as well as condition of the metal microstructure, thus preventing failures and long replacement lead times. These techniques have the advantage of being suitable for locations where thermal fatigue is suspected, access is restricted or where the removal of the components is difficult or impossible.

The scope of service in this contract relates to the management, supervision, labour, consumable supply, provision of equipment, administration, warehousing and storage related to the service of non-destructive testing and replication on high pressure and temperature pipework and components

The *Employer's* objectives for this contract include security of supply, economies of scale, competitive pricing, encouraging a long-term commercial relationship with the *Contractor* based on mutual trust, commitment to common goals and an understanding of each Party's expectations and values.

The method of assessment is described elsewhere in this Service Information

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

The *Contractor* will be expected to perform/carry out the activities stated below on the high pressure and temperature pipework and components under the instruction of Outage Management and Boiler Engineering at Tutuka Power Station. The outputs will be used to measure the performance of the *Contractor* through the availability of qualified experience staff to execute Scope of Work effectively.

**1.3 Scope of work**

**The following tests are required from unit 1 to 6 HP pipework and Components:**

- Replication
- Wall thickness Examination
- Etching
- Chemical analysis

**NB: Every shift to have an Authorized Responsible person and Authorized Supervisor, under Plant Safety Regulations within 6 months after contract awarded, the Site Manager must ensure that they attend the course.**

## 1. Descriptions of the works

- The supply of the following personnel:
- Management
- Supervision
- Labour
- Installed and expendable consumables
- Equipment
- Tools
- Storage
- And any other item deemed necessary by the Employer for the proper execution of the whole of the works covered by this enquiry or arising there from.

Provide Non-destructive testing and replication on the following HP piping Systems, Aux plant and components:

### Main steam pipework and components

- Cold reheat pipes
- IP/LP bypass pipes
- Hot reheat pipes
- Hot reheat safety pipes
- Turbine safety pipes
- Main steam pipes
- HP Bypass pipes

### Turbine Loop pipes and components

- HP turbine Loop pipes
- IP turbine loop pipes

### Boiler thick components

- Boiler headers and integral drain and vent pipes
- Super heater 1
- Super heater 2
- Super heater 3
- Super heater 4

### Turbine steam chest casings and valves

- HP steam chest
- IP steam chest

## 2. Specifications

Title	Date or revision	Tick if publicly available
<b><u>General Specifications:</u></b>		
Occupational Health and Safety Act 85 of 1993 and its regulations		✓
Basic Conditions of Employment Act		✓
Safety, Health and Environmental Specifications for Contractors (SAS 0012)	Rev 8 or latest revision	Available from the Service Manager
Generation Plant Safety Regulations 36-681		Available from the Service Manager
<b><u>Technical specifications:</u></b>		
• Supply Contract Quality Requirements Specification (QM58)		Available from the Service Manager
• ASME 8		✓
• ISO 3834		✓
• ISO 9001: Quality Management Systems		✓
• BS 9606		✓
• BS 15614		✓
• BS 15609		✓
• Eskom NDT personnel approval for quality related special processes on Eskom Plant Standard (240- 83539994)		Available from the Service Manager
• Requirement for NDT on Eskom Plant Standard (240- 83540088)		Available from the Service Manager
• Standard for Metallographic Replication Applicable to High Temperature High Pressure Components in Eskom Plant (240-75109745)	April 2022	Available from the Service Manager

### 1.1 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
--------------	-----------------------------------

B-BBEE	Broad Based Black Economic Empowerment
C&I	Control and Instrumentation
COC	Certificate of Compliance
CIDB	Construction Industry Development Board
CPA	Cost Price Adjustment
EMD	Electrical Maintenance Department
ESP	Electro Static Precipitator
H V	High Voltage (1000V and above)
ISO	International Organization for Standardization
L V	Low Voltage (< 1000 V)
LAR	Local Access Register
OHSACT	Occupational Health and Safety Act
ORHVS	Operating Regulations for High Voltage Systems
PPE	Personal Protective Equipment
PPPFA	Preferential Procurement Policy Framework Act
PSR	Plant Safety Regulations
QCP	Quality Control Plan
QMS	Quality Management Systems
RP	Responsible Person
SABS	South African Bureau of Standards
SACPCMP	South African Council for the Project and Construction Management Professions
SAMTRAC	Safety Management Training Course
SAP	System Application Product
SO3	Sulphur Trioxide
SOW	Scope of work
YTD	Year to date

## 2 Management strategy and start up.

### 2.1 The Contractor's plan for the service

- To be discussed before each task can be carried out between the *Contractor* and *Employer*
- Programme (Primavera schedule) to be supplied on request on a signed hard copy as well as a soft copy, see Scope of work
- The *Contractor* can start work after the Purchase Order has been issued and submitted planning approved and accepted, unless given Instruction by the *Service Manager*
- *Contractor* to be on site as and when required as per Task Order

### 2.2 Management meetings

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

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.

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 and compensation events	Discussions to take place as soon as a risk is notified	Service Manager's office	Contractor, Service Manager, Co-ordinator and Contracts Supervisor
Overall contract performance and review	Monthly basis as per appointment	Site office/ MS Teams	Contractor, National Service Manager, Site Service Manager Co-ordinator and Contracts Supervisor
SD&L Review Meetings	Quarterly basis as per appointment	Site office/Head Office/ MS Teams	SD&L Representative, Contractor, National Service Manager, Site Service Manager
Overall contract progress and feedback	Daily during Outages Before 11:00am	Service Manager's office or E-mails to Outage planner or MS Teams	Service Manager, Contractor, Co-ordinator and Contracts supervisor and Planner
Daily Outage Progress	Daily 08:00am and 13:00pm during outages	Outage Boardroom or MS Teams	Outage Execution Manager, Planner, Service Manager, Co-ordinator and Contract Supervisors
Daily Safety Toolbox	Daily before work starts on	Contractors Yard	Contractor and his

Talks	site with signed attendance registers by Contractor's employees and signed off minutes by the Contractor's Site Manager		employ yes
Contractor Weekly Safety Meeting	Wednesdays during Outages 11:00-12:00am	Outage Boardroom or MS Teams	Safety Officers, Supervisors, Outage planners and Co-ordinators
Plant Safety Walk down	Tuesdays 10:00am and Thursdays 10:00am during Outages	Outside the unit on Outage shutter door	Safety Officers, Supervisors, Outage planners and Co-ordinators
Contractors Monthly Meeting	TBC	Production boardroom or MS Teams	Outage Co-ordinator, Contractor, Contractor Safety Officer

If the *Contractor* can't attend any meeting his feedback should be formally communicated through to the *Service Manager*.

### 2.3 Contractor's management, supervision and key people

#### Outage Team (Activities / Scope might require for a decrease or increase in team)

- Site Supervisor / Manager
- Quality Controller (Replica metallurgist)
- Assistants
- Replica level 1 Technician / Supervisor
- Replica level 2 Technician / Supervisor
- WT Supervisor / Technician
- Replica labeller
- Safety Officer (level 4)
- Safety Representative
- Planner (Primavera competent) - ("as and when required")
- Time Clark
- Data capturer
- Assistants
- Semi-skilled (Grinder & Fire watch)

**The Supplier should provide additional team as and when required depending on the scope of work and duration on the Contractor's own cost to accelerate scope to meet target date. For this contract at all times.** A company organogram to be submitted to Service Manager to communicate as per NEC3 Term Services Contract communication structures.

Note: Each activity the Supervisor must be part of the team on site

### 2.4 Provision of bonds and guarantees

- N/A

## 2.5 Documentation control

- Each instruction, certificate, submission, proposal, record, acceptance, notification, reply and other communication which this contract requires is communicated in a form which can be read, copied and recorded.
- Writing is in the Language of this contract.
- All reports to be discussed, compiled and handed in to the *Employer's Supervisor or System Engineer and Service Manager* (to be announced by the *Employer*)
- All communications must be printed and filed in the *Service Managers* file

- Documentation requirements covers the life cycle of the project from the initial engineering stages through to installation and commissioning including operating, maintenance and the training stages of the project. Not only must these documents be comprehensive and complete but comply with strict document control and revision procedures.
- The Contractor is responsible to plan the supply of the documentation during the various project stages and to provide the documentation in accordance with the Contractor Document Submission Schedule (CDSS). A document is thus any written or pictorial information describing, defining, specifying or certifying activities, requirements, procedures or results.
- All the drawings issued by the Employer for this contract is copyright protected and are not to be copied by the Contractor.
- It is the responsibility of the Contractor to update any drawings that may have changed due to modifications on the plant. These drawings should be submitted and registered correctly by the Contractor to the drawing office at the specific Power Station.
- The Contractor submits all documentation on a formal transmittal form to the Service Manager.
- All manuals, documents, drawings and engineering documentation shall be presented in British English in both software and hardware.
- All Communications will be filed and kept on site at all times as it is crucial to have the correct communication structures. These communication documents should at all times adhere to the NEC 3 Term Service Contract communication requirements.
- Safety files to be submitted and approved before maintenance and outage work commence as per client requirements, six weeks in advance.
- Budget quotation for outage and maintenance work to be submitted before work commences as per client requirements. (Budget quotation to be submitted 3 months in advance)
- Planned Outage Scope of work to be issued to contractor from the client six months in advance.
- Contractor Document Submission Schedule (CDSS):
  - Document Name/Description Date/Time documents to be submitted
  - A programme in Primavera format as referred to document number (240-85065548) One week after receipt of Task Order
  - Baseline risk assessment - One week after receipt of Task Order
  - QCP's - One week after receipt of Task Order
  - Contractor's Safety file - Two weeks before start of work
  - Inspection report - 12 hours after completion of activity
  - Daily progress report - After Every Shift
  - Technical report and data pack - Within 14 days of completion of the services

## 2.6 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 Ltd  
 Reg. No. 2002/015527/30  
 Accounts Payable  
 Tutuka Power Station

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;
- Purchase order number
- CPA calculation sheet
- CPA calculation sheet and the Invoice for CPA (with the GL Account Number and the Cost Center on the Invoice) to be send to the financial department as per the *Employer's* Invoicing procedure / instruction
- Invoices and a Copy of the Assessment with a Service Entry number to be send to the financial department as per the *Employer's* Invoicing procedure / instruction

#### **Service related invoices**

- a) Once the service have been delivered/completed both parties have to agree that the service has been delivered/completed successfully prior to invoicing
- b) An assessment payment certificate must be completed between the *Contractor* and *Service Manager* according to the service performed. Both parties have to sign the assessment/certificate
- c) A copy of assessment/payment certificate must be obtained by the *Contractor* to enable the creation of an invoice and to prevent any discrepancies. A copy of the assessment/payment certificate must be attached to the original invoice
- d) *Service Manager* performs a service entry and on the SAP system. (Assessment/Payment Certificate issued as a source document for Service Entry Goods Receipt)
- e) *Service Manager* will the forward the Service entry number to the *Contractor* within 3 working days after the Assessment/Payment certificate has been signed
- f) *Contractor* must forward the original invoices together with a copy of the Assessment/Payment certificate with Service entry number to the Finance.

#### **Invoices linked to commodity prices**

- a) The requirements are the same as for Goods Delivered Invoices.
- b) Invoices which are linked to commodity prices will result in CPA (Contract Price Adjustment).
- c) Attach a copy of the material invoice that has been previously paid to the CPA invoice, as well as the calculation sheet and all indices attached other than SEIFSA.
- d) The relevant Eskom Department will then complete the CPA calculation sheet and forwards it to the Eskom Documentation Centre.

#### **General Information related to Eskom Invoices**

- a) *Contractor* must ensure that the Service Entry and Goods Receipt Note number appears on the invoice. (It can be printed or hand written on the invoice).
- b) Eskom Purchase Order number must appear on invoice.
- c) Invoices must be VAT compliant in line with the VAT Act requirements.
- d) Invoices submitted must reflect the bank account details. A once off copy of the banking details may be forwarded to the Documentation Centre and it will be attached to each scanned invoice.
- e) Invoices must be original or certified as an original in line with the VAT Act. No electronic invoices will be accepted.
- f) Eskom's correct name "**Eskom Holdings SOC Limited**" must appear on the invoice.
- g) The Eskom VAT registration number: **4740 101 508** must appear on the invoice.
- h) No pro-forma invoices will be accepted.
- i) *Contractor* cannot be utilized by Eskom for more than 3 times without a contract being established.

Note:

- 1. Invoices must be delivered to the Eskom Documentation Centre, as this will speed up the payment process and ensure that invoices are not lost and payments delayed. There is no need for *Service Manager* to sign invoices as they perform Goods Receipt in the system. The assessment certificate and Goods Receipt serves as the approval of payment.
- 2. Eskom Documentation Centre will review invoices according to a checklist and on completion scan the documentation into Accounts Payable processing system (Documentation can only be scanned where the Purchase order no. and Goods Receipt Note no. is reflected on the invoice, and the invoice complies with the VAT Act).
- 3. Invoices are processed and released for payment by Accounts Payable Section only where the source documentation is 100% correct

## 2.7 Contract change management

- In a case where one *Contractor* takes over from another *Contractor*, the Site *Service Manager* must be notified in writing immediately.
- The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Changing the Service Information
- Access
- Provision by the *Employer*
- Stopping work
- Work of the *Employer* or others
- Reply to communication
- Changing a decision
- Withholding acceptance
- Delayed tests or inspections
- Change of Affected property
- Materials, facilities, etc. for tests
- *Employer's* risks
- Assumption about Compensation Events
- *Employer's* breach of contract

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

- N/A

## 2.9 Insurance provided by the *Employer*

- Refer to contract data section 8

## 2.10 Training workshops and technology transfer

- The *Contractor* will be authorized in the *Employer's* (PSR) Plant Safety Regulations permit system within 6 months of contract award PSR training and Authorisation to be current at all times
- *Contractor* to be trained on updated technology of *Employer's* equipment.
- All necessary Safety courses needed or required.
- All training required by Eskom for *Contractor* will be on Eskom's account
- *Contractor* staff to be Authorised and found competent in writing to work at Heights
- *Contractor* to available one of his supervisor to attend the training even if they not on site

## 2.11 Design and supply of Equipment

- In the case of modification, Eskom modification process must be followed
- *Contractor* to provide all tools and equipment necessary to perform the required service and tools / equipment to be in good and safe condition to work with.
- All equipment and tools needs to be marked and a list off all tools with the identification number to be provided to the *Service Manager* when entering site.
- All lost equipment and tools to be declared to the *Service Manager* and full details of incident.
- All test Equipment must be calibrated regularly and certificates must be handed in to Service Manager

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

### 2.12.1 Equipment

### 2.12.2 Information and other things

- All Reports / Documents to be compiled, filed, discussed and handed over to the *Employer* on a daily basis and at the end of the service.
- On Completion of contract the *Contractors* safety file will be hand over to the *Service Manager* and will be saved for 40 Years after completion / termination of the contract.
- *Contractor* is Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10.
- *Contractor* will not be allowed on site if his letter of good standing is not valid.
- As per clause 70.2 to provides other things as stated in the Service Information.
- All PM's to be signed off and handed back to the Eskom Section's Supervisor on a daily basis

## 2.13 Management of work done by Task Order

- A Task Order / Purchase Order is the instruction to commence work.
- No work shall commence until Task Order is issued and has been finalised and accepted and signed by both the *Employer* and *Contractor*.
- All work will be issued via SAP Maintenance or as per Task Order system. The Work Order, Purchase Requisition and Purchase Order will be created via the SAP PM system.
- Task orders, Assessments with all supporting documentation and Completion Certificates will be used for work required

### 3 Health and safety, the environment and quality assurance

#### 3.1 Health and safety risk management

The *Contractor* shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM – 084 to this Service Information.

- All The *Employer*'s health and safety procedures and regulations to be adhered to by the *Contractor*
- A SHEQ file to be handed in at the SHEQ department for approval prior to work commencement and kept up to date for the duration of the contract

#### SHEQ Policy

##### Employer's SHEQ Policy

The *Employer* has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the *Employer*'s business.

Compliance with the SHEQ Policy and applicable regulations is the responsibility of every employee and *Contractor*.

##### Contractor SHEQ Policy

All *Contractors* shall have an OHS policy signed by the CEO of the *Contractor* and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHEQ file.

#### SHE PLAN REQUIREMENTS:-

- Principal *Contractors* shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plan must be pre-approved by the client for implementation. The principal *Contractor/Contractor* has a responsibility to send the SHE plan to the client for approval prior to commencement of work.
- The SHE plan must be applied from the commencement of and for the duration the construction work, which must be updated /reviewed as the work progresses/changes.

When a principal *Contractor* intends appointing contractor, the principal *Contractor* shall ensure that the *Contractor* provides and demonstrate a suitable, sufficiently documented and coherent site specific health and safety plan, based on the client's SHEQ specifications and scope of work

#### 3.1.1 Health and Safety Arrangements

The *Contractor* ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the *Employer*'s Safety Risk Department at Tutuka Power Station. Arrangements are made with Safety Risk Management, by the *Contractor*.

The *Employer*'s Safety Risk Manager visits and inspects the *Contractor*'s workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The *Service Manager* may instruct the *Contractor* to stop work, where the *Contractor*'s personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The *Service Manager* may instruct the *Contractor* to discipline his employees and to

submit a disciplinary action report to the *Service Manager*. The *Contractor* implements additional health and safety precautions where necessary.

### **Health and safety**

The *Contractor* complies with the Occupational Health and Safety Act 85 of 1993, as well as the *Employer's* procedure as stipulated below:

- SHEQ Policy 32-727
- The *Employer's* Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the *Employer's* Commercial Process 32-726
- *Contractor* Health and Safety Requirements 32-136
- Integrated SHE Organization; Roles and Responsibilities and Statutory Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- The *Employer's* Vehicle Safety Specifications 32-345
- Tutuka *Contractor* SHEQ Specifications 14RISK SRM - 084

The *Contractor* acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

The *Contractor* undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

The *Contractor* shall appoint a person who will liaise with the *Employer's* Safety Officer responsible for the premises relevant to this contract.

Do safety audits at the *Contractor's* premises, its work-places and on its employees;

Refuse any employee, sub-Contractor or agent of the *Contractor* access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHSACT;

Issue the *Contractor* with a work stop order or a compliance order should the *Employer's* become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the *Contractor* or any of its employees, sub-Contractors or agents.

The *Contractors* Health and safety file is to be submitted for approval to the *Employer's* Safety Officer before contract commencement.

All work stoppages called by the *Employer* to be adhered to

*Contractor* is Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10..*Contractor* will not be allowed on site if his letter of good standing is not valid

#### **3.1.2 First aid and fire fighting**

Adequate first aid and fire fighting equipment to be provided by the *Employer*  
All *Contractor* personnel must have First aid and firefighting training  
Fire extinguishers to be provided by the *Contractor*

#### **3.1.3 Fire Precautions**

Any tampering with the *Employer's* fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards is kept free of obstruction, and are not used for work or storage at any time. Fire fighting equipment must remain accessible at all times.

The *Contractor* takes the necessary action to safe guard the area to prevent injury and the spreading of the fire.

### **3.1.4 Security, fire protection and safety**

The *Contractor* shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required.

### **3.1.5. Fire protection**

The provision of *Employer*'s standard NWS 1494 "Fire Prevention and Protection of *Contractor*'s premises at New Works sites" shall be applicable.

### **3.1.6 Safety and incident prevention**

The *Contractor* shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the Tutuka SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

- Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC-019

### **3.1.7 Reporting of accidents**

The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Contractor* is expected to fully co-operate to achieve this objective. The *Service Manager* must be informed immediately of any incidents. A written report to be submitted to the *Employer* within 24 Hours of incidents and any damage to property or equipment

**NOTE!** This report does not relieve the *Contractor* of his legal obligations to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

### **3.1.8 Occupational Health and Safety Act 85 of 1993 – SECTION 37**

In accordance with Section 37 (2) of the Act, the *Contractor* is appointed by the *Employer* as mandatory to assume Health and Safety duties and responsibilities. The *Contractor* ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The *Contractor* acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The *Contractor* undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

### **3.1.9 The *Contractor* appoints a person who liaises with the *Employer*'s Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:**

- Supply the *Employer*'s Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.

- Supply the *Employer's* Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify the *Employer's* Safety Officer of any changes thereto.

The *Employer* may, at any stage during the duration of this contract:

- perform safety audits at the *Contractor's* premises, its work place and its employees;
- refuse any employee, *Subcontractor* or agent of the *Contractor* access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the *Contractor* with an instruction to stop work should the *Employer* become aware of any unsafe working procedure or condition or any non - compliance with the Act, Regulations and Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the *Employer's* Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no amendments to the act or the Regulations or reasonable amendment to the *Employer's* Safety and Operating Procedures will entitle the *Contractor* to claim any additional costs or time incurred in complying therewith, from the *Employer*

### 3.1.10 Safety Regulations of the *Employer*

- The *Contractor* conforms to the *Employer's* Plant Safety Regulations
- The *Employer* makes available to the *Contractor*, on request, a copy of the latest revision of the Plant Safety Regulations.

## 3.2 Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in the following:-

All waste from the project must be disposed in a sound environmental manner in accordance with Tutuka Power Station Waste Management Procedure 14 Risk ENV-013. Oil spillages must be contained and cleaned as per Oil Spill Management procedure 15 ENPRENV-001. The project must conform to *Employer's* Environmental Legal and other Requirements procedure 14 Risk ENV-012 and the project must conform to Tutuka Power Station ISO14001 Standard with reference to Tutuka Power Station's Environmental Management System Manual 14 Risk ENV-010. All environmental incidents must be dealt with as per the Station's Incident Management, Corrective and Preventative Procedure 14 Risk PC-001 and all environmental incidents must be reported to the Environmental Department on site with Telephone Number 017-7495536 / 9231.

## 3.3 Quality assurance requirements

The *Contractor* shall be required to demonstrate by means of a Quality Plan that this organisation is so structured that all the requirements of the specification will be properly monitored and controlled. The Quality Plan and Control procedures are to be carried out in accordance with QM 58. The Quality Control document is to be submitted for approval to Tutuka within three (3) days after order placement by the *Contractor*.

No work may commence unless the Quality Control document has been approved in writing and a copy submitted to the *Service Manager*. The *Contractor*, in conjunction with Tutuka Engineering must sign off all Quality Control documents after completing all work on site. The *Contractor* to submit a copy of the final signed off document to the *Service Manager* within 1 week after Completion of each activity or task

- QCP and contract quality plan standards as per QM 58 to be adhered to
- The *Contractor* must provide Quality Control Plan documents for approval by the *Employer's* *Service Manager* performing any activity.

## 4 Procurement

### 4.1 People

#### 4.1.1 Minimum requirements of people employed

- All staff required to perform the activities within the works information,
- All relevant personnel names and titles must be specified to the *Service Manager*
- Only Trained and Skilled people with required experience that are qualified to perform work are allowed
- The *Service Manager* needs to approve in writing all new appointments / persons / interviews of fix term *Contractors* / temporary *Contractors* / permanent employees / site management appointed at Tutuka Power Station
- All new staff to do the induction training of Tutuka Power Station
- All replacements of staff will be in the same discipline (e.g. Technician for a Technician with proof of qualifications)
- All new staff to be approved by *Service Manager* before entering the site or commencing work
- All new staff must hand in all qualifications and relevant documentation to the *Service Manager*

#### 4.1.2 BBBEE and preferencing scheme

- As per clause Z3 within contract data.

#### 4.1.3 Procurement Requirements:

### PPPFA STRATEGY

Indicate the percentage (%) that is allocated to:

Price	90%
BBBEE Status	10%
Designated commodity (Yes/No)	No

### 4.2 Subcontracting

#### 4.2.1 Preferred subcontractors

- Sub-*Contractors* will only be allowed with a written permission from the *Service Manager*

#### 4.2.2 Subcontract documentation, and assessment of subcontract tenders

- The *Contractor* will be liable for the *Subcontractor*

#### 4.2.3 Limitations on subcontracting

- As per SDL&I specifications or 25% of contract can be subcontracted if allowed by *Service Manager*

#### 4.2.4 Attendance on subcontractors

- The *Contractor* will be liable for the his *Subcontractor* and prove to be handed in with assessment

### 4.3 Plant and Materials

#### 4.3.1 Specifications

- Where applicable: - All measuring equipment to be calibrated before utilization
- Risk Assessment to be completed
- Hold and witness points and all intervention points as per approved QCP as per activity must be attended
- No repairs will be done before QCP has been approved by *Employer*
- *Contractor* must be “trained and authorised” with the necessary PPE, equipment, tools, skilled to handle any equipment, spares, tools and materials related to the scope of work
- All inspections and repairs to be inspected *Employer* delegated person

#### 4.3.2 Correction of defects

- Rework occurs when an Equipment or plant has to be worked on again within a given time frame of 0 to 90 days on the same Plant and by the same Work centre, and it will be for the *Contractor*’s own cost.
- As per clause 42 in the NEC3 TSC.
- In case of rework caused due to the *Contractor*’s negligence, all costs will be for the *Contractor*’s account.
- All work to be done must be done under a permit to work. Some plants are trip risks and can only be worked on during outages or units shut downs

#### 4.3.3 *Contractor*’s procurement of Plant and Materials

- Purchasing of spares or materials will go through the Eskom procurement process
- The *Contractor* will supply his own consumables (i.e. cleaning rags, etc.).

#### 4.3.4 Tests and inspections before delivery

- Hold points must be attended and witness all intervention points as per approved QCP as per activity.

#### 4.3.5 Plant & Materials provided “free issue” by the *Employer*

- The *Employer* will issue all plant related spares and materials as negotiated
- All spares needed from stores must be collected by *Contractor* and taken to required plant
- All faulty rotable items to be taken to stores with necessary documents All spares removed and returned to Tutuka premises must be declared at the main entrance where the removal permit for the spares must be shown to the Protective Services personnel

## 5 Working on the Affected Property

- The affect property is Tutuka Power Station

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

- Lifesaving rules must be adhered at all times.
- Access is limited and controlled by Plant Safety Regulations requirements.
- No employee will be allowed to access the plant or to work without access permit issued.
- All personnel to work on the plant must be registered on the Worker's Register by the Responsible Person or Authorized Supervisor.
- All personnel must attend induction before working on site and they must obtain gate permits via the *Service Manager*.
- Unauthorised access to site is prohibited.
- The personnel are expected to be at their working site area at all times.
- No recruitment on site or at the main access gates.
- All activities to comply with the OHSACT regulations.
- All activities on plant must be preceded by a plant risk assessment – Risk assessment as per Eskom standard, to be current at all times (Live Document)
- Each person to have an Identification card at all times

## 5.2 People restrictions, hours of work, conduct and records

- Normal working hours is Eskom working hours
 

Monday to Thursday	07:00 - 16:15
Fridays	07:00 - 12:00
In total 40 Hrs a week	
- Hours will be determined as per critical path activities during outages / breakdowns
- Overtime on a as and when required basis, but must be approved by the *Service Manager*
- Time sheet must be kept up to date of normal time and overtime worked at all times. Eskom *Contractor's* time sheets to be used
- Call outs might be required on an as and when required basis depending on the plant Status (Outages / Breakdowns) *Contractor* Supervisor will only be used as and when required by Eskom
- The *Contractor* must be available for any plant break downs during after hours, week-ends and public holidays. The *Contractor* must be on site within 2 hours after been called out.
- All overtime worked must comply with Eskom rest period requirements
- For all planned overtime, a plan must be submitted by the *Contractor* and a request for planned overtime to be handed in and approved by the *Service Manager*

## 5.3 Health and safety facilities on the Affected Property

- Proto-team on each shift
- Medical Station and relevant staff on Site.
- Each workshop has a first aid box available.
- Yearly induction for all personnel.
- In an emergency the contract supervisor and *Service Manager* must be notified immediately

# Facilities as designated by the *Employer*

- Toilets

**First aid centre**

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 are 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* is entitled, however, to recover the costs from the *Contractor* for the use of the above *Employer's* facilities

## **5.4 Environmental controls, fauna & flora**

### **Environmental management**

Proper care of the natural environment is important to prevent nuisance and environmental degradation. All contractors shall comply with Eskom environmental management procedures and Environmental legislation

Environmental incidents shall be reported to the Eskom Environmental Department as per incident management requirements.

The following Environmental procedures must be adhered to;

- 14RISK ENV-0557 Oil spill clean-up and Rehabilitation
- 14RISK ENV-013 Waste Management

### **Waste Management**

Waste segregation is important to facilitate recycling of waste. Ensure waste is disposed of in the correct colour bin.

- Eskom periodically collects waste from the bins for disposal in the correct manner.

No waste should be burned or buried on site.

Where Eskom and the *Contractor* have agreed that the *Contractor* is responsible for the disposal of its waste, the *contractor* shall safely dispose of such waste and keep disposal certificates on file.

### **Types and colours of bins used on site:**

- Yellow bin for domestic waste
- Orange bin for hazardous waste
- Maroon bin for scrap
- Green box for cartridges
- Blue box for recyclable paper

### **Hazardous Substances**

It is required in terms of the General Administrative Regulation (Regulation 7) of the Act that any manufacturer, importer, seller or supplier of hazardous chemical substances shall supply the receiver, free of charge with sufficient information for the user, to enable the user to introduce the necessary measures as regards the protection of the health and safety of persons. It is therefore the responsibility of the supplier

(dealing directly with the *Employer*) to supply the information. If information is not available for whatever reason, the supplier must indicate and give reasons to the *Employer*.

### **Radiation protection**

The *Contractor* conforms to the *Employer*'s procedure OMOP 2049 and OMOP 2051 when performing any industrial radiography.

### **Handling of waste produced by the Contractor**

All waste introduced to and/or produced on the *Employer*'s premises, by the *Contractor*, for this contract, must be handled in accordance with the minimum requirements for the Handling and Disposal of Hazardous Waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry Act 1994 Ref.: BN0621-16296 - 5.

The *Contractor* is responsible to appoint a waste coordinator to ensure that all waste produced is handled according to the applicable legislation.

The *Contractor* is required to ensure that all goods, services or work supplied in terms of the contract conform to all applicable environmental legislation. Where work is done on the *Employer*'s site, the goods, services or work supplied also conforms to the *Employer*'s environmental specifications.

### **Waste from the cleaning and maintenance of equipment**

The *Contractor* is responsible to contain all waste due to cleaning and maintenance of equipment and disposes of as described below.

### **Stockpiling of waste**

Waste is removed promptly to the designated deposit areas. No stockpiling is permitted.

### **Hazardous waste**

Waste declared as hazardous substances in terms of the Hazardous Substances Act no 15 of 1973 is the responsibility of the *Contractor* to ensure safe removal from the property to a registered Class 1 site

### **Pest Control**

Only approved herbicides with a low environmental risk shall be used for pest control.

- Only registered pest controllers may apply herbicides on a commercial basis.

Application of herbicides shall be in accordance with the Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 194.

### **Water Conservation**

Incidents related to water pollution must be reported to the Eskom environmental department within 24 hours.

Report/fix leaking taps and pipes to save water.

- Use water sparingly.

Chemical substances shall not be disposed of in waste water or storm water drains.

### **Air Pollution**

Dust suppression measures must be in place to reduce airborne dust.  
Noxious and offensive odours arising from work activities shall be adequately controlled.

### **Ground Pollution**

Measures to prevent or control ground contamination shall be put in place e.g. drip trays, bund walls.  
Spill containment, clean-up and ground rehabilitation shall be done as per Tutuka procedures

## **5.5 Cooperating with and obtaining acceptance of others**

### **5.5.1 Interface with Others**

It is likely that other *Contractors* will be working in the same area. Others might however from time to time require limited access to the same area in order to execute maintenance activities and the *Contractor* is to be accommodating in such instances.

### **5.5.2 Planning**

Programmes (Primavera format) are submitted in hard and electronic copy.

### **5.5.3 Monthly progress report**

A monthly progress report will be submitted to the *Service Manager*

### **5.5.4 Completion**

This section specifies what the *Contractor* has to do for Completion.

### **5.5.5 Requirements for Completion**

Completion is when the *Contractor* has done all the work, which the Service Information states he is to do by the Completion Date and has corrected notified Defects, which would have prevented the *Employer* from using the works.

The site is handed back to the *Employer* in a condition acceptable to the *Service Manager*.

## **5.6 Records of Contractor's Equipment**

*Contractor's* equipment (cell phones with cameras, computers, cameras, etc.) to be declared and signed in at security.

All test equipment must be calibrated and tested regularly and certificates must be handed in to the *Service Manager* for record keeping.

### **5.6.1 Electrical & Instrumentation equipment and appliances**

Any electrical/instrumentation equipment or appliances used by the *Contractor* conforms to the applicable South African Safety Standards and is maintained in safe and proper working condition. The *Service Manager* has the right to stop the *Contractor's* use of any electrical/instrumentation equipment or appliance

that in the *Service Manager's* opinion does not conform to the foregoing. The *Contractor* only employs skilled persons, certified in terms of the relevant acts.

## 5.7 Equipment provided by the *Employer*

- For the purpose of expediting the works, the *Employer* may make facilities and services available to the *Contractor* as provided at no cost to the *Contractor*. The *Contractor* will not receive any reimbursement or make any change to the beneficial use of the facilities or services.
- The *Employer* may allow the *Contractor*, for the execution of the works, the reasonable use of its workshop, cranes, tools and equipment, provided that the *Employer's* own work and business are not interfered with in any manner by such use. The *Contractor* shall leave all workshops, cranes, tools and equipment in as good a condition as he found them, fair wear and tear excepted, and shall be liable for any damages by the *Employer* as a result of any act of negligence by the *Contractor*, his employees or sub-contractor while using such workshop, cranes, tools and equipment.
- 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* must ensure that any one of his employees or Sub-contractor, operating hoist equipment belonging to the *Employer*, is authorised by the *Employer*
- All rigging equipment over five tons to be provided by the *Employer* and to be used under Eskom supervision.
- All other equipment required not specified in this contract under Eskom supervision

## 5.8 Site services and facilities

### 5.8.1 Provided by the *Employer*

#### Supply of electricity

The *Employer* supplies 220 & 380 V AC power supply at existing points for the purpose of the works only. All installations or equipment complies with all relevant safety regulations and requirements. *Contractor* is to supply own 220 or 380 VAC extensions.

#### Water

The *Employer* supplies potable water for the purpose of the works, at existing points and in reasonable quantities. Uninterrupted supply is not guaranteed and is not grounds for compensation events.

#### Accommodation of the *Contractor's* employees

The *Contractor* makes his own arrangements for accommodation and meals.

#### Telecommunications

The *Contractor* provides his own communication system and the cost thereof. Cell phones/radios to be used on the ash facility / ash dams / slurry plant where poor reception exists. All private telephone calls or Internet usage is on the account of *Contractor*.

Should the *Contractor* wish to use radio communication equipment on site, he will make his own arrangements with the relevant authorities. In this case though, he is required to liaise with the Head of Security at the Station to ensure that there is no interference with existing channels or equipment

#### Facilities availability

*Employer* will provide facilities (such as toilets) and *Contractor* work space.

#### **5.8.2 Provided by the Contractor**

- *Contractor* to provide and insure safe transportation services for all his *Contractors* and it must comply to 32-93 and 33-345 procedures.
- *Contractor* to provide own staff refreshments, Coffee, sugar, milk, tea etc.
- All computers and printers accessories needed to be provided by the *Contractor*
- The *Contractor* to provide accommodation and meals for his / her employees and costs and this to be included in the contract price.
- All PPE to be provided by *Contractor* including Arc flash PPE and acid redounded PPE.
- All PPE to be provided by *Contractor* for all weather and working conditions
- Provide SABS approved Safety harnesses as per Eskom Safety Requirements.
- The *Contractor* will be responsible for the cost of all internet usage or Telephone calls made to any Cellular, Telkom or international number.
- Supply a letter undertaking that the *Contractor* does have the correct tools and equipment to perform activities, *Contractor* also to provide a list of tools and equipment that is registered on the company's register.
- QCP's and Certified Letters to be provided as a proof of previous similar activities done, with references of previous activities done.
  - Provide a full detailed Technical Method Statement with regard to scope of work on how the Precipitator's maintenance and inspection in all areas as per scope of work and requirements from *Employer* will be executed. This must form part of tender returnable.
- *Contractor* to provide own equipment to enable to perform all work according to the scope of work.
- *Contractor* will provide all safety apparel, safety equipment and cleaning materials to comply with the contraction regulations.
- *Contractor* to provide own torches
- *Contractor* to provide own digital Camera and approved by Service Manager
- *Contractor* to provide own Scanner
- *Contractor* to provide own colour printer and cartridges and will be used for work related work only
- Certified copies of ID and Qualifications to be provided by the *Contractor* on contract award
- *Contractor* to provide own fire extinguishers

#### **Personal Protective Equipment**

The *Contractor* supplies, maintains and ensures that his personnel at all times wear personal protective equipment as required per site.

#### **Housekeeping**

The *Contractor*'s Equipment does not impair the operation of the plant or access to the plant. The *Contractor* will comply with good Housekeeping standards whilst working on the *Employers* site.

#### **Access permits**

All applicable *Contractor* personnel shall be issued with access and vehicle permits (*Contractor* Permit) which will contain the following information:

- Name
- ID Number

- Company
- Validity date

All *Contractor* permits must be submitted to Protective Services when the workers leave the Site after Completion of the works.

The *Contractor* applies with Tutuka Power Station Protective Services for the issuing of permits. The *Contractor* submits his application at least 24 hours prior to entering the Security area. This application form must be delivered to Protective Services, or can be faxed to (017) 612 6312. The form contains the following information:

- Employee Name.
- Employee ID Number.
- Eskom Safety Co-ordinators signature.
- Eskom *Service Manager*'s signature.
- Copy of the first page of the ID book of every employee of the *Contractor*, photocopied to reduce the size to 65%.

The form is appended to the *Contractor*'s Safety Manual, referred to in Section 2.3.2 (b).

The *Contractor*'s visitors and personnel shall conform to the security arrangements in force at the Site at all times.

The Chief of Protective Services 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 of Protective Services, constitutes a security risk.

No unauthorized vehicles will be allowed on Site. Contract vehicle application should be directed to the *Service Manager*.

The *Contractor* will be limited to the working areas associated with the works. The *Contractor* is forbidden to enter any other areas, and must ensure that his employees abide by these regulations.

Parking inside the Power Station is allowed. The parking application must be addressed to the protective services. All Contractors will supply protective services with their vehicles registration numbers.

No recruiting of casual labour may be done on Eskom premises, including the area outside the power station security gate.

The *Contractor* obtains the access procedures, from the *Service Manager*, which may change depending on the prevailing security situation.

#### **Standby personnel**

The *Contractor* supplies the *Service Manager* with a standby roster of standby personnel.

#### **Temporary cabling**

The *Contractor* will be provided with all temporary wiring and cabling to lead power from the point of supply to the various points where it is required. The *Contractor* maintains and removes it on Completion.

## **5.9 Control of noise, dust, water and waste**

- All necessary and relevant PPE must be used (for any working / weather conditions) at all time when entering or working on plant
- Risk assessments must be completed before commencing with any task to be current at all times (Live Document)
- All relevant procedures to be used at all times

## 5.10 Hook ups to existing works

- The *Employer* reserves the right to have any of the *Contractor*'s personnel removed off site without cancelling the contract if, in the *Employer*'s opinion, it is warranted.
- The main *Contractor* is accountable for the management of their sub-contractors and suppliers and to ensure that the applicable legal and the *Employer*'s requirements (applicable during contract execution) are complied with by the sub-contractors and suppliers (all tiers). If there are non-conformances / non -compliances to applicable legal and the *Employer*'s requirements identified, then the Main Service Provider / Principle *Contractor* will be penalised.
- The *Contractor* shall operate under the direction and instruction s of the *Employer*'s Manager or such person / people as may be appointed if not in conflict with the Occupational Health and Safety Act and the Generation Plant and Safety Regulations.
- The *Contractor* shall maintain a high standard of workmanship expected by the *Employer* and shall comply with any quality assurance and quality procedures implemented by the *Employer*.
- The *Employer* reserves the right to have any of the *Contractor*'s personnel removed off site without any compensation to the Contractor in the event of the *Contractor*'s personnel being in contravention with the OHS Act or any of the *Employers* rules , regulations and procedures
- No more than 9 NCR's for the duration of the contract will be allowed on their workmanship and no more than 3 repeat NCR's. The *Employer* reserves the right to terminate the contract,
- The *Employer* reserves the right to request disciplinary/corrective action if, and when, required.
- The *Contractor* must submit Curriculum Vitae's of its entire staff prior to work commencing on site.
- The *Contractor* must submit certified copies of qualifications and or certificates of its entire staff prior to work commencing on site.
- All *Contractor* supervisory staff (Manager and Supervisors) must be authorised as Authorised Supervisors (AS's) or Responsible Persons (RP's) as per legislative requirements and the period within which this requirement must be fully met, will be finalised and confirmed within six months on contract award.
- The *Contractor* will be responsible for the full payment of the legislative training costs for every employee at the *Contractor*'s cost, in the event that the employee have to redo the training due to failing at the first attempt as well as the subsequent attempts that follows until the employee is authorised.
- All unknown / known services will be brought to the attention of the *Contractor* by *Service Manager*. Should the *Contractor* encounter any other services in the work area, he will immediately bring them to the attention of the *Service Manager* who will issue instructions as to what actions are to be taken.
- No welding will be allowed on site unless permission is granted in writing by the *Service Manager*.
- Eskom carries no responsibility for unforeseen delays unless such a delay is negotiated within 24 hours of the occurrence and written agreement is submitted by Eskom.
- Care must be taken to prevent damage to any surroundings such as the plant, roads and equipment in and around existing buildings.
- The *Contractor* and his employees will be required to conduct themselves at all times in proper and orderly manner while on the *Employer*'s premises.
- The *Contractor* and his employees may only smoke in the allowed / designated areas.
- The *Employer* will take immediate steps to institute criminal investigations in the event of any suspected criminal acts e.g. theft etc.

**5.10.2 Qualifications (Note – the below mentioned will change from time to time based on the skills required per contract)**

**Minimum qualifications and skills requirements of people employed by the *Contractor* are as follows:**

Item	Resource Skill	Minimum Qualification & Experience
1	Site Manager	Multi-skilled NDT Technician (at least 3 methods of MT,PT, UT & RT at level 2) or National Diploma in NDT/Metallurgy/Mechanical engineering/Project Management
2	Planner	Primavera and Microsoft Project
3	Safety Officer	SAM TRAC/ National Diploma in Safety and must be SACMP registered
4	Labeler	Relevant qualification
5	QC	Metallurgical qualification
6	Wall Thickness Technician	Wall Thickness Level 1 or UT level 1
7	Semi-skilled	At least Grade 12
8	Store man	Relevant store man course
9	Assistant	Replica, WT, Etching, Chemical analysis and barrier watcher.
10	Data Capturer	Computer literacy and MS office (excel and word)

- All *Contractor* staff to be trained and competent to work on heights and certificates to be handed in to the *Service Manager*.
- All *Contractor* staff to be trained and competent to work in confined spaces and certificates to be handed in to the *Service Manager*.

## 5.11 Tests and inspections

### 5.11.1 Description of tests and inspections

- Quality Control check sheets to be done between *Contractor* and *Employer*
- Do inspections as per Scheduled Work Order and report al defects to the *Employer*.
- Hold and witness points

### 5.11.2 Materials facilities and samples for tests and inspections

- QC check sheets

## 6 List of drawings

### 6.1 Drawings issued by the *Employer*

- All relevant drawings can be obtained from the *Service Manager* or Eskom Supervisor.

## 7 Appendix A- X17 Low Service Damages

**X17.1 SERVICE LEVEL TABLE**

ITEM	DESCRIPTION OF TASK	QUALITY OF PERFORMANCE	REASON FOR DAMAGES	DAMAGES TO BE IMPLEMENTED
Standby response time	Call outs	Time taken 2 Hours after call was logged	Cost and Long breakdown hours	1% of the task order value per call-out
Time management	Late coming	30 Minutes after	Cost	1% of the task order value per 30 minutes late

## 8 Appendix C - X20 - Key Performance Indicators (only a sample below)

Contract Number				Contract																							
YEAR:-				Monthly Report for: Contractual Period																							
1	KPA	Objective	Weight	Base	Target	Ceiling	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	A	S	A	S	A	S			
2																											
3																											
4																											
A=	ACTUAL	YTD =	YEAR TO DATE	S =	SCORE	YE =	YEAR END																				